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## WALLA WALLA CITY COUNCIL

Regular Meeting Agenda

August 11, 2021 - 6:30 p.m.

Live stream of the meeting may be viewed on the City's website at <https://www.wallawallawa.gov/government/city-council>. Members of the public also may attend and participate in this regular meeting by using this Zoom meeting link: <https://us02web.zoom.us/j/87170064735> or by calling 253-215-8782 and entering meeting ID 871 7006 4735#.

Mission: We provide municipal services and programs essential to a desirable community in which to live, work and play.

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. PUBLIC COMMENTS

The public may comment at this time on matters of City business. To provide comments through the virtual meeting, please use the Zoom link at the top of the agenda, raise your virtual hand, wait to be recognized, and then unmute. If you are calling in, dial \*9 to raise your virtual hand, wait to be recognized, and dial \*6 to unmute the connection. Public comments may also be provided by emailing the City Clerk at [khill@wallawallawa.gov](mailto:khill@wallawallawa.gov)

4. ACTIVE AGENDA

- A. Pgs. 3-108 Ordinance 2021-23: Adoption of the Regional Housing Action Plan
- B. Pgs. 109-121 Resolution No. 2021-112: Approves the recommendation from the Hearing Examiner regarding the Preliminary Plat for Harvey Ranch Estates, a 235-lot subdivision located at Lower Waitsburg Road.  
**(CLOSED RECORD - QUASI JUDICIAL)**

- C. Pgs. 122-175 Public hearing and Ordinance 2021-24: Establishes an ambulance services utility.
- D. Pgs. 176-183 Resolution 2021-113: Authorizes a professional services contact with Hewitt in the amount of \$567,325 for design and construction management of Heritage Square Rebuild Project.
- E. Pgs. 184-196 Resolution 2021-114: Authorizes the purchase of a new cot and power load system from Stryker to be installed in an existing advanced life support ambulance in an amount not to exceed \$46,816.47.
- F. Pgs. 197-202 Ordinance 2021-25: Amends Municipal Code Section 2.33.030 to increase the number of members on the Civil Service Commission to five, decreasing the term of office from six years to three years, limiting service to two terms, and changing quorum from two members to three members.
- G. Pgs. 203-213 Approval of minutes of July 26, 2021 Work Session and the July 28, 2021 regular meeting. (Councilmember Yazmin Bahena absent and to abstain)

5. COUNCIL MEMBER MEETING REPORTS

6. UNFINISHED AND NEW BUSINESS

7. ADJOURNMENT

**Values:**

Customer Focus/Service

Excellence

Stewardship

Communication

Leadership

Integrity



ar-4296

Pgs. 3-108

**City Council - Regular Meeting**

**Meeting Date:** 08/11/2021

**Item Title:** Adoption of the Regional Housing Action Plan

**Submitted For:** Elizabeth Chamberlain, Support Services

**Financial Comments:**

Adoption of the Regional Housing Action Plan does in itself not have a financial impact. There are recommended strategies, such as financial incentives, that could have a financial impact but those impacts would be reviewed and analyzed as individual policy recommendations are brought forward for council action/implementation.

**All Contracts:**

Not Applicable

**Federally funded contracts only:**

Not Applicable

**Construction contracts only:**

Not Applicable

**Brief Summary of Requested Action:**

Adoption of the Regional Housing Action Plan

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**Information**

**HISTORY:**

During the 2019 Legislative Session, there were a myriad of housing related bills. One that rose to the top was HB 1923. What ultimately was passed by the legislature was an incentive based bill versus a mandate and along with it grant funding of \$5 million. Cities that are 20,000 and greater in population are eligible for the grant funding for the first round, which Walla Walla meets this criteria. A city that is over 20,000 in population may partner with cities less than 20,000 on a regional housing action plan. Walla Walla partnered with the cities of College Place, Dayton, and Waitsburg to submit a grant application for \$110,000 to develop a Regional Housing Action Plan.

The City of Walla Walla, as the lead agency, was awarded the grant January 2020 and proceeded with consultant selection. FCS Group, and Fregonese Associates as sub-consultant, were selected to work with the cities. COVID-19 pushed our schedule back slightly and we began the project June 2020. What is also unique about the development of the RHAP, the entire process was completed virtually.

The RHAP examines housing affordability, housing needs and gaps, access and structural diversity issues as well as strategies and actions to be taken by each jurisdiction. A goal of the RHAP is to create a more equitable housing environment in our region. A Project Advisory Team was established to assist with the development of the RHAP and representatives from each jurisdiction were part of the team. A Stakeholder Advisory Committee (SAC) was also established to provide feedback at various review steps in the development of the draft plan. The SAC met three times throughout the plan development process. Public outreach was conducted entirely virtually through an online survey released in December 2020. English and Spanish versions were provided and over 400 responses received.

A joint Planning Commission meeting (each jurisdictions' planning commission represented) was held on June 7, 2021 where the draft RHAP was presented for review and feedback. Notice of Public Hearing was issued on June 21, 2021 for the public hearing before the Planning Commission on July 12, 2021. The hearing notice was posted on the City's website and published in the Union Bulletin.

Comment letters were received from Planning Commissioner David Fogarty, Community Council, and the City of College Place. The RHAP has been modified to incorporate those comments where feasible and appropriate.

Here is a link to the staff report to the Planning Commission:

[https://www.dropbox.com/s/z7k7kdeblm18790/4296\\_Staff%20Report%20to%20Planning%20Commission%20RHAP.pdf?dl=0](https://www.dropbox.com/s/z7k7kdeblm18790/4296_Staff%20Report%20to%20Planning%20Commission%20RHAP.pdf?dl=0)

**POLICY ISSUES:**

The attached staff report to the Planning Commission outlines the staff analysis and policy framework.

A commitment made with the acceptance of the grant funds is adoption of the Regional Housing Action Plan. The resolution authorizing the grant application submittal and commitment to adopt the RHAP stated completion of the project by April 1, 2021 (see attachment). The City of Walla Walla was granted an extension and contract amendment executed with Dept. of Commerce. Adoption of the RHAP is required no later than October 15, 2021. Action at the August 11, 2021 council meeting meets this grant requirement.

**PLAN COMPLIANCE:**

**STRATEGIC PLAN:**

**Strategic Initiative 4 - Long Term : Encourage Economic development to strengthen the community**

Objective 3: Encourage affordable housing and reduce homelessness

**COMPREHENSIVE PLAN:**

Land Use Goal 1: Walla Walla grows in a responsible way that maintains or improves the quality of life for its residents.

Land Use Policy 1.1: Accommodate new residential and commercial development in areas with available infrastructure and services.

Land Use Policy 1.3: Encourage infill development that provides additional housing within the city.

Land Use Goal 2: Walla Walla coordinates with neighboring communities and state agencies for the improvement of the region.

Land Use Goal 3: There are a variety of uses allowed throughout Walla Walla that encourage options for housing and business.

Housing Goal1: A broad range of housing choices is available to meet the needs of people of diverse socioeconomic status, household type, and age.

Housing Policy 1.1: Provide an array of housing choices such as apartments, small lot single-family housing, accessory dwelling units, townhomes, manufactured homes, and cottages to meet the needs of people of all incomes throughout their lifespan.

Housing Policy 1.2: Address the causes of homelessness by working with local agencies and non- profits that provide services to this community.

Housing Policy 1.3: Encourage the use of existing housing stock to provide affordable housing for households with middle and lower incomes.

Housing Policy 1.4: Develop incentives for construction of housing affordable to households with low and moderate incomes such as density bonuses, waived fees, multi-family property tax exemption, or a transfer of development rights program.

Housing Policy 1.6: Apply for state and federal housing program funds to support efforts to provide funding for housing to serve people with low and moderate incomes and people with special needs.

Housing Policy 1.7: Allow manufactured housing and accessory dwelling units in single-family residential areas.

Housing Goal 2: Attractive and functional neighborhoods are welcoming to all types of households.

Housing Policy 2.1: Integrate housing for lower and moderate-income households and those with special needs into a variety of geographical locations throughout the city.

Housing Policy 2.6: Locate new housing near transportation and community facilities to allow seniors to age in place

**ALTERNATIVES:**

No alternatives identified. The City of Walla Walla committed to adoption of the RHAP as part of the grant acceptance.

**STAFF RECOMMENDATION:**

Adopt the Regional Housing Action Plan as recommended by the City of Walla Walla Planning Commission.

**CITY MANAGER COMMENTS:**

Approved for City Council action.

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**Attachments**

Ord 2021-23

Regional Housing Action Plan

Resolution 2019-115 Authorizing Grant Submittal

Joint Planning Commission Meeting Summary

Planning Commission 7-12-21 Minutes

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## **ORDINANCE NO. 2021-23**

AN ORDINANCE ADOPTING A REGIONAL HOUSING ACTION PLAN PURSUANT TO THE PROVISIONS OF RCW CHAPTER 36.70A AND TAKING SUCH OTHER ACTION RELATED THERETO

WHEREAS, the City of Walla Walla passed Municipal Ordinance A-2405 on May 13, 1970 which classified the City of Walla Walla as a nonchartered code city under Title 35A of the Revised Code Washington (RCW); and

WHEREAS, the Walla Walla County Board of Commissioners passed County Resolution 90-449 on October 30, 1990 opting into planning activities under the Washington Growth Management Act (GMA), Chapter 36.70A RCW; and

WHEREAS, the Walla Walla City Council passed City Ordinance 2008-25 on November 5, 2008 adopting an updated comprehensive plan for the City of Walla Walla; and

WHEREAS, the Chapter 348, of the 2019 Laws of Washington (Engrossed Second Substitute House Bill (E2SHB) 1923) was adopted XX and the Washington State Department of Commerce developed a grant program to implement E2SHB 1923 which encourages cities planning under Washington's GMA to adopt actions to increase residential building capacity; and

WHEREAS, the City of Walla, as lead agency, was awarded an \$110,000 grant to develop a Regional Housing Action Plan (RHAP) with the cities of College Place, Dayton, and Waitsburg; and

WHEREAS, a Project Advisory Committee with representatives from each jurisdiction was established to assist with the development of the RHAP; and

WHEREAS, a Stakeholder Advisory Committee was established to provide feedback at various review steps in the development of the draft plan and met three times; and

WHEREAS, the public engagement plan became entirely virtual due to the COVID-19 pandemic. The region was engaged through an online survey published in English and Spanish December 2020 and over 400 survey responses received; and

WHEREAS, a Determination of Non-Significance was issued on June 2, 2021; and

WHEREAS, a joint Planning Commission meeting, where each jurisdictions' planning commission was represented, was held on June 7, 2021; and

WHEREAS, after proper notice the Walla Walla Planning Commission held a public hearing on July 12, 2021; and

WHEREAS, at the public hearings the City of Walla Walla Planning Commission heard and considered the public testimony and the evidence and exhibits presented to it; and

WHEREAS, the City of Walla Walla Planning Commission thereafter made their recommendation on the RHAP; and

WHEREAS, the Walla Walla City Council has considered the matter during a regularly and duly called public meeting of said Council, has given said matter careful review and consideration, and finds that good government and the best interests of the City of Walla Walla will be served by passage of this ordinance.

NOW THEREFORE, the City Council of the City of Walla Walla do ordain as follows:

**Section 1:** The Walla Walla City Council finds that the Regional Housing Action Plan

advances state interests identified in Section 36.70A.010 of the Revised Code of Washington.

**Section 2:** The Walla Walla City Council finds that the public outreach plan identified in the whereas clauses as well as the process used to consider and adopt this ordinance satisfies the City's public participation procedures adopted pursuant to Section 36.70A.035 of the Revised Code of Washington.

**Section 3:** The Walla Walla City Council by reference incorporates herein the Countywide Planning Policies and all prior amendments thereto and finds that the periodic update to the comprehensive plan hereby adopted is consistent with the Countywide Planning Policies.

**Section 4:** The Walla Walla City Council finds that the Regional Housing Action Plan is consistent with and implements the City of Walla Walla's comprehensive plan adopted by City Ordinance 2018-15 (June 13, 2018) including the policies outlined under the Land Use and Housing Elements specifically outlined below:

Land Use Goal 1: Walla Walla grows in a responsible way that maintains or improves the quality of life for its residents.

Land Use Policy 1.1: Accommodate new residential and commercial development in areas with available infrastructure and services.

Land Use Policy 1.3: Encourage infill development that provides additional housing within the city.

Land Use Goal 2: Walla Walla coordinates with neighboring communities and state agencies for the improvement of the region.

Land Use Goal 3: There are a variety of uses allowed throughout Walla Walla that encourage options for housing and business.

Housing Goal 1: A broad range of housing choices is available to meet the needs of people of diverse socioeconomic status, household type, and age.

Housing Policy 1.1: Provide an array of housing choices such as apartments, small lot single-family housing, accessory dwelling units, townhomes, manufactured homes, and cottages to meet the needs of people of all incomes throughout their lifespan.

Housing Policy 1.2: Address the causes of homelessness by working with local agencies and non-profits that provide services to this community.

Housing Policy 1.3: Encourage the use of existing housing stock to provide affordable housing for households with middle and lower incomes.

Housing Policy 1.4: Develop incentives for construction of housing affordable to households with low and moderate incomes such as density bonuses, waived fees, multi-family property tax exemption, or a transfer of development rights program.

Housing Policy 1.6: Apply for state and federal housing program funds to support efforts to provide funding for housing to serve people with low and moderate incomes and people with special needs.

Housing Policy 1.7: Allow manufactured housing and accessory dwelling units in single-family residential areas.

Housing Goal 2: Attractive and functional neighborhoods are welcoming to all types of households.

Housing Policy 2.1: Integrate housing for lower and moderate-income households and those with special needs into a variety of geographical locations throughout the city.

Housing Policy 2.6: Locate new housing near transportation and community facilities to allow seniors to age in place.

**Section 5:** The Walla Walla City Council finds that the Regional Housing Action Plan is consistent with RCW 36.70A.600 through inclusion of a Housing Needs Assessment, Community and Stakeholder Engagement, Housing Policy Framework Review, Housing Strategy Development, Displacement Minimization, and Implementation and Monitoring into the plan.

**Section 6:** The Walla Walla City Council hereby adopts the Regional Housing Action Plan as recommended by the City of Walla Walla Planning Commission, dated July 21, 2021.

**Section 7:** The City of Walla Walla finds that the Regional Housing Action Plan as adopted by this Ordinance conform to the requirements of Chapter 36.70A and Chapter 43.21C RCW and has been prepared with appropriate public participation and has complied with the Level V review, Chapter 20.28 of the Walla Walla Municipal Code.

**Section 8:** If any part of this ordinance is for any reason declared or held to be invalid or unconstitutional by any court or tribunal of competent jurisdiction, such part shall be deemed a separate and distinct and independent provision and such holding shall not affect the validity of the remaining parts hereof.

**Section 9:** The City Manager or designee is authorized to implement such administrative procedures as may be necessary to carry out the directions of this legislation including preparing and publishing the adopted Regional Housing Action Plan.

**Section 10:** This ordinance shall take effect and be in force five days from and after its passage, approval, and publication as provided by law.

**Section 11:** The Walla Walla City Clerk is directed to publish a copy of a summary and notice of adoption of this ordinance as permitted by section 35A.12.160 of the Revised Code of Washington.

**Section 12:** Notice is hereby given that any petition requesting Growth Board review of the Regional Housing Action Plan must be filed with the Eastern Washington Growth Management Hearings Board within sixty (60) days after publication of this summary and notice of adoption in accordance with Chapter 36.70A of the Revised Code of Washington.

PASSED by the City Council of the City of Walla Walla, Washington, this  
11<sup>th</sup> day of August, 2021.

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Mayor

Attest:

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City Clerk

Approved as to form:

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City Attorney

## **SUMMARY OF ORDINANCE NO. 2021-23**

AN ORDINANCE ADOPTING A REGIONAL HOUSING ACTION PLAN PURSUANT TO THE PROVISIONS OF RCW CHAPTER 36.70A AND TAKING SUCH OTHER ACTION RELATED THERETO

The Walla Walla City Council passed Municipal Ordinance No. 2021-23 at its August 11, 2021 regular meeting which in summary provides as follows:

**Section 1:** The Walla Walla City Council finds that the Regional Housing Action Plan advances state interests identified in Section 36.70A.010 of the Revised Code of Washington.

**Section 2:** The Walla Walla City Council finds that the public outreach plan identified in the whereas clauses as well as the process used to consider and adopt this ordinance satisfies the City's public participation procedures adopted pursuant to Section 36.70A.035 of the Revised Code of Washington.

**Section 3:** The Walla Walla City Council by reference incorporates herein the Countywide Planning Policies and all prior amendments thereto and finds that the periodic update to the comprehensive plan hereby adopted is consistent with the Countywide Planning Policies.

**Section 4:** The Walla Walla City Council finds that the Regional Housing Action Plan is consistent with and implements the City of Walla Walla's comprehensive plan adopted by City Ordinance 2018-15 (June 13, 2018).

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**Section 7:** The City of Walla Walla finds that the Regional Housing Action Plan as adopted by this Ordinance conform to the requirements of Chapter 36.70A and Chapter 43.21C RCW and has been prepared with appropriate public participation and has complied with the Level V review, Chapter 20.28 of the Walla Walla Municipal Code.

**Section 8:** If any part of this ordinance is for any reason declared or held to be invalid or unconstitutional by any court or tribunal of competent jurisdiction, such part shall be deemed a separate and distinct and independent provision and such holding shall not affect the validity of the remaining parts hereof.

**Section 9:** The City Manager or designee is authorized to implement such administrative procedures as may be necessary to carry out the directions of this legislation including preparing and publishing the adopted Regional Housing Action Plan.

**Section 10:** This ordinance shall take effect and be in force five days from and after its passage, approval, and publication as provided by law.

**Section 11:** The Walla Walla City Clerk is directed to publish a copy of a summary and notice of adoption of this ordinance as permitted by section 35A.12.160 of the Revised Code of Washington.

The full text of the ordinance will be mailed upon request made to the Walla Walla City Clerk at Walla Walla City Hall, 15 N. 3<sup>rd</sup> Avenue, Walla Walla, WA 99362.

Notice is hereby given that any petition requesting Growth Board review of the comprehensive plan map amendment must be filed with the Eastern Washington Growth Management Hearings Board within sixty (60) days after publication of this summary and notice of adoption in accordance with Chapter 36.70A of the Revised Code of Washington.

Summary approved as to form:

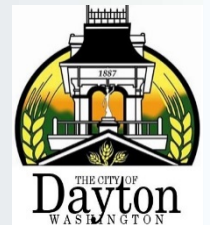
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City Attorney

# Walla Walla Regional Housing Action Plan

*Cities of College Place,  
Dayton, Waitsburg and  
Walla Walla*

July 21, 2021



# ACKNOWLEDGEMENTS

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This work is made possible through a grant provided by the Washington Department of Commerce, and the dedicated work of the Plan Advisory Committee and the Stakeholder Advisory Committee. We specifically recognize and appreciate the time and attention provided by the following people.

## **Plan Advisory Committee Members**

Elizabeth Chamberlain, City of Walla Walla  
Melissa Shumake, City of Walla Walla  
Meagan Hayes, City of Dayton  
Jon Rickard, City of College Place  
Randy Hinchliffe, City of Waitsburg  
Nikki Sharp, Walla Walla County

## **Stakeholder Advisory Committee Members**

Brenda Bernards  
Riley Clubb  
Rachel Elfenbein  
Stanley Green  
Norma Hernández  
Russell Levens  
Catherine Veninga  
Garrett Warren  
Andrea Weckmueller-Behringer

## **Project Consultants**

Todd Chase, FCS GROUP  
Tim Wood, FCS GROUP  
Sam Ault and Zech Hazel , FCS GROUP  
Violet Brown, Fregonese & Associates  
Scott Fregonese, Fregonese & Associates  
Ellen Palmquist, Fregonese & Associates



# GLOSSARY

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**Accessory Dwelling Unit (ADU):** A small living space located on the same lot as a single-family house.

**Affordable For-Sale Housing:** An owner-occupied dwelling with a monthly mortgage and property tax payment that equates to no more than 30% of household income.

**Affordable Rental Housing:** A dwelling that is rented by a person or household whose monthly housing costs, including utilities other than telephone, do not exceed 30% of the household's monthly income. If income-restricted or government supported, U.S. Housing and Urban Development (HUD) income restrictions vary by family size.

**Buildable Lands Inventory (BLI):** An assessment of the capacity of land to accommodate forecasted housing and employment needs.

**Buildable Residential Land:** Includes land that is designated for residential development that is vacant and part-vacant and not constrained by existing buildings or environmental issues.

**Cost Burdened:** Defined by US Department of Housing and Urban Development (HUD) as households who spend over 30% of their income on housing.

**Cottages:** Small, single-level, detached units, often on their own lots and sometimes clustered around pockets of shared open space. A cottage is typically under 1,000 square feet in footprint.

**Density:** Defined by the number of housing units on one acre of land.

**Development density:** Expected number of dwelling units (per acre) based on current zoning designations.

**Family:** A group two or more people (one of whom is the householder) related by birth, marriage, or adoption and residing together.

**High Density:** Lots with the average density of 12+ dwelling units per acre. Best suited for multifamily housing such as apartments and condos.

**Housing Unit (or Dwelling Unit):** A house, an apartment or other group of rooms, or a single room is regarded as a housing unit when it is occupied or intended for occupancy as separate living quarters; that is, when the occupants do not live and eat with any other person in the structure and there is direct access from the outside or common hall.

**Household:** Consists of all people that occupy a housing unit.

**HUD:** Acronym for US Department of Housing and Urban Development, the federal agency dedicated to strengthening and supporting the housing market.

**Low Density:** Lots with the average density of 3-4 dwelling units per acre. Best suited for family housing such as single-family detached homes.

**Manufactured Housing:** is a type of prefabricated home that is largely assembled of site and then transported to sites of use. The definition of the term in the United States is regulated by federal law (Code of Federal Regulations, 24 CFR 3280): "Manufactured homes are built as dwelling units of at least 320 square feet in size, usually with a permanent chassis to assure the initial and continued transportability of the home. The requirement to have a wheeled chassis permanently attached

differentiates "manufactured housing" from other types of prefabricated homes, such as modular homes.

**Median Family Income (MFI):** The median sum of the income of all family members 15 years and older living in the household. Families are groups of two or more people (one of whom is the householder) related by birth, marriage, or adoption and residing together; all such people (including related subfamily members) are considered as members of one family.

**Medium Density:** Lots with the average density of 6-12 dwelling units per acre. Best suited for small lot housing such as single family attached, townhomes, plexes and cottages.

**Middle Housing:** Housing types that is generally attainable for households earning less than 120% of the area median income level. Typically includes plexes (2-4 units per structure), townhomes, apartments, accessory dwellings, cottage homes and manufactured homes.

**Mixed Use:** Characterized as two or more residential, commercial, cultural, institutional, and/or industrial uses into one combined building or building(s) on the same parcel of land.

**Multi-Family Housing:** Stacked flats in a single buildings or groups of buildings on a single lot with 5 or more units per structure. Parking is shared, and entrance to units is typically accessed through a shared lobby.

**Part-vacant land:** Unconstrained land that has some existing development but can be subdivided to allow for additional residential development.

**Plexes and Apartments:** Multiple units inside one structure on a single lot. Usually each unit has its own entry.

**Seasonal dwellings:** These units are intended by the owner to be occupied during only certain seasons of the year. They are not anyone's usual residence. A seasonal unit may be used in more than one season; for example, for both summer and winter sports. Published counts of seasonal units also include housing units held for occupancy by migratory farm workers. While not currently intended for year-round use, most seasonal units could be used year-round.

**Residual Land Value:** The amount a developer would typically be willing to pay for the land/site in order to build a specific real estate improvement based on underlying assumptions and market conditions.

**Severely Cost Burdened:** Defined US Department of Housing and Urban Development (HUD) as households who spend over 50% of their income on housing.

**Single Family Attached:** Residential structures comprised of two to four housing units with a shared wall that separates each unit. "Attached" duplexes require a single building permit for both dwelling units.

**Single Family Detached:** Free standing residential building, unattached, containing separate bathing, kitchen, sanitary, and sleeping facilities designed to be occupied by not more than one family, not including manufactured and mobile homes.

**Townhome (also known as duplexes, rowhouse, etc.):** Attached housing units, each on a separate lot, and each with its own entry from a public or shared street or common area.

**Vacant housing unit:** A housing unit is vacant if no one is living in it at the time of enumeration unless its occupants are only temporarily absent. Units temporarily occupied at the time of enumeration entirely by people who have a usual residence elsewhere are also classified as vacant.

**Vacant land:** Vacant and part-vacant land identified within the local buildable land inventory that is not developed and unconstrained for future planned residential development.

# SUMMARY

The demand for adequate, safe and affordably-priced housing continues to far outpace new housing production. This Walla Walla Regional Housing Action Plan provides a strategy for strengthening and enhancing the inventory of affordable housing and less expensive market-rate housing in southeast Washington. This growing region includes a network of small and medium historic cities, that are rich in agricultural, viticulture, and education.

This Plan highlights existing housing conditions and issues and forecasts future needs based on changing demographic and socio-economic conditions. Using feedback from a dedicated project advisory committee and stakeholder committee and survey input from over 400 citizens, this plan reflects current attitudes regarding housing priorities. While significant steps have already been taken by the cities of College Place, Dayton, Waitsburg and Walla Walla, this Plan lists new housing policies and actions that can be taken for each city to further enhance housing opportunities.

As shown in the following graphic, the Housing Action Plan will be used to inform future Comprehensive Plans, Capital Facilities Plans and Land Use Policies. The Plan also guides decisions regarding implementation strategies that can affect development regulations, infrastructure spending priorities, permitting procedures, fee structures and other housing actions.



*Source: Washington Dept. of Commerce and BERK, 2020.*

## Highlights of the Walla Walla Regional Housing Action Plan

Walla Walla Regional Housing Survey (over 400 respondents) lists the **top 5 housing issues** as:

1. Housing Cost/Affordability
2. Inadequate Housing Availability
3. Homelessness
4. Range of Housing Types
5. Housing Quality

**The top 5 Housing Actions recommended by survey respondents include:**

1. Development Partnerships
2. Multifamily Tax Incentives
3. Grants for First time Homebuyers
4. Housing Rehabilitation Grants
5. Increase Residential Land Inventory

**The Walla Walla Region should plan to add approximately 4,685 net new housing units over the next 20 years.** Future housing demand in the Region is likely to include 1,523 standard-lot single family detached homes; 1,104 small-lot detached homes; 732 townhomes/plexes; 894 multi-family units (includes some group quarters demand), and 443 affordable housing units (government supported), manufactured homes and/or ADUs.

While the overall land capacity within the Region appears to be adequate for addressing the long-term housing need for Waitsburg and Dayton, nearly half of new construction that is planned to occur in College Place and Walla Walla would need to occur on under-developed (part vacant) tax lots. If property owners do not wish to subdivide their tax lots, the likelihood of meeting housing needs through “infill” is unlikely.

These findings also indicate that the current zoning and related land capacity within the College Place and Walla Walla UGAs (combined) may not be sufficient to fully accommodate multi-family demand. This issue is particularly acute in College Place, where the housing demand for single family and middle housing (672 units) is expected to exceed its zoned land capacity by 412 dwellings.

Based on the residential capacity analysis and this housing needs assessment, the following conclusions are made:

- **College Place UGA:** the projected 20-year housing need of 747 dwelling units is far greater than the potential UGA capacity of 345 units, even after accounting for recent code changes and assuming 60% of net new housing will need to be constructed on infill and redevelopment lands.
- **Walla Walla UGA:** the projected 20-year housing need of 3,570 dwelling units is below the potential UGA capacity of 3,740 dwelling units. However, the current amount of land zoned for multi-family structures appears to be inadequate to meet overall housing needs, even after assuming 55% of the net new housing will be constructed on infill and redevelopment lands.  
It is recommended that the cities of College Place and Walla Walla continue to work with Walla Walla County and regional housing advocates to ensure that new housing density can be optimized within current UGAs, and new areas be identified for potential UGA expansion.
- **Waitsburg and Dayton UGAs:** the combined projected housing demand of 200 dwellings for these two small cities can be accommodated by their existing UGAs if adequate water and wastewater infrastructure is provided.

Additional policy actions and housing program considerations are provided in Section III.

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# I. INTRODUCTION

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## PURPOSE

Communities across the state of Washington are facing unprecedented challenges with providing safe and affordable housing.<sup>1</sup> In response, the Washington state legislature passed a measure designed to encourage cities and counties to proactively work together to identify housing needs and implement local actions to preserve affordable housing and spur new housing development.

Within the Walla Walla Region, the Community Council facilitated a community-led study regarding regional housing issues, needs and local policy recommendations in a landmark report: *Affordable Housing Study (A report to the residents of Columbia and Walla Walla counties and the Milton-Freewater area), 2019*. That report raised local awareness about issues pertaining to housing affordability and laid the foundation for advocacy around a number of recommendations to address the need for safe and affordable housing. The Affordable Housing study recommended the completion of a study on housing needs in the region and strategies for improvement; the cities of College Place, Dayton, Walla Walla, and Waitsburg applied for and were awarded a grant from the Washington State Department of Commerce to prepare this regional housing action plan.

A regional Housing Action Plan (HAP) is intended to examine housing affordability, access and structural diversity issues, as well as strategies and actions to be taken to create a more equitable housing environment. The HAP process includes a review of the region's comprehensive plans, policies, past actions, partnerships, and current regulations to determine

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### *Housing Action Plans address the following questions:*

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- *Who lives and works here and what are their socioeconomic characteristics?*
  - *What types of housing are available?*
  - *Are there any groups of people who are not able to find housing that is safe, affordable, and meets their household needs?*
  - *How much housing, and what types of housing, are needed to meet current and future housing needs?*
  - *Is there sufficient buildable land capacity to accommodate this growth and housing diversity?*
  - *What local policies and actions can be taken to produce additional affordable and market rate housing?*
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<sup>1</sup> Unless otherwise specified, "affordable housing" in this report is defined as government-supported housing that is income restricted as well as market-rate housing where residents pay no more than 30% of their income on housing costs (monthly rents or mortgage payments).



existing conditions of the housing ecosystem. Community input is obtained to identify and evaluate potential policy changes that can be implemented to increase production of affordable and market-rate housing.

At its core, the regional HAP identifies future housing needs to serve all economic segments of the community. Based on the 20-year growth target, the housing needs assessment identifies how many units of different types are needed to optimize housing affordability.

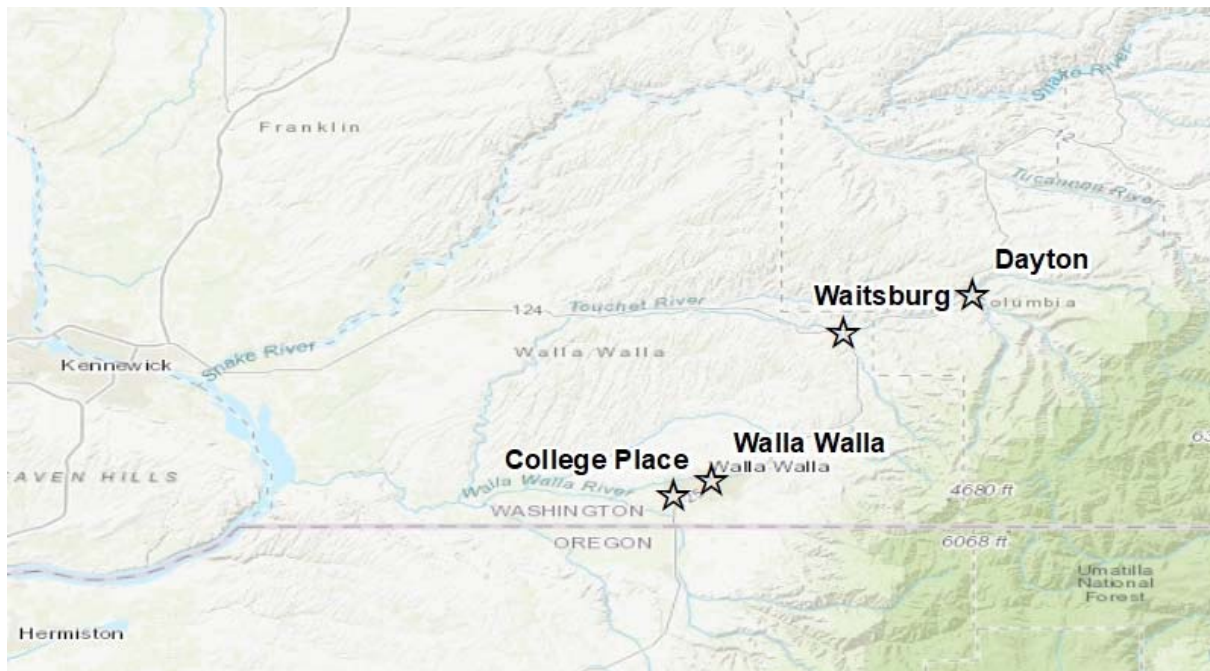
Based on Washington Department of Commerce grant funding guidelines, the focus of this study is on the existing urban growth areas (UGAs) surrounding the cities of Walla Walla, College Place, Dayton and Waitsburg. For purpose of this plan, these areas are collectively referred to as the Walla Walla Region.

## REGIONAL CONTEXT

Because housing ecosystems are rarely contained within a single jurisdiction, regional analysis and coordination are necessary to understand market dynamics. For example, if safe and affordable housing is not sufficient in one community, residents are likely to search for housing in an adjacent jurisdiction rather than leave the region altogether.

The focus of this plan is on the Walla Walla Region, which includes the urban growth areas of Walla Walla, College Place, Dayton, and Waitsburg and the surrounding unincorporated areas of Walla Walla and Columbia counties (**Exhibit 1**). While the community of Milton-Freewater in Oregon is often included in the greater Walla Walla region, this analysis is limited to communities in Washington by dint of its focus on the Urban Growth Area structure laid out in Washington’s Growth Management Act. The cities of College Place and Walla Walla currently function as the business and regional service center for this region. Each of the four cities provide a unique mix of housing opportunities, growth potential and community character.

## Exhibit 1: Walla Walla Region





## Recent Accomplishments

Prior to undertaking this work, communities within the Walla Walla Region have made strides in advancing affordable housing. Efforts completed to date include the following:

### Regional Planning Coordination (Walla Walla, College Place, Waitsburg and Dayton)

- The cities of Walla Walla, College Place and Waitsburg have coordinated with Walla Walla County) to update their comprehensive plans with new growth forecasts and sections focused on housing policies.
- The city of Dayton has also coordinated with Columbia County and cities in Walla Walla County (through this planning effort) to evaluate their buildable land inventory.
- Community Council, a regional policy advocacy and education organization, convened civic, private and non-profit representation on the Affordable Housing Study Workgroup to identify housing issues and barriers to affordable housing, and to recommend policy strategies.

### City of Walla Walla

- As mentioned above, the city of Walla Walla undertook a significant update of its comprehensive plan, with a new housing policy section that includes objectives aimed at expanding housing opportunities.
- 2018 Code Updates: this resulted in changes to local zoning that collapsed three single family residential zones into one zone called Neighborhood Residential. This new zone supports additional housing density in low density zone by allowing development of (up to) fourplexes on a single lot. The city also relaxed road access standards for short plats to permit private lanes to serve up to 9 dwelling units. Other changes included permitting multifamily units outright and removing the owner occupancy requirement for accessory dwelling units.
- Utility Rate Discounts: the city provides a program for providing water and sewer utility rate discounts to low-income citizens.
- The city is using Community Development Block Grant funds to provide micro-grants for property owners to complete home repair projects through a contract with the Blue Mountain Action Council.

### City of College Place

- Recent Code Updates:
  - College Place created a new single-family residential zoning district and reduced minimum single-family residential lot sizes to 6,000 square feet.
  - The city increased flexibility in short plat standards.
  - Accessory dwelling units are now permitted in all residential zones.
  - Cottage and co-housing are now permitted in the Single-Family and Multi-Family Zoning Districts.
  - The City now permits dwelling units in commercial developments in both the Downtown Mixed-Use and General Commercial Zoning Districts
  - Three or more single-family dwelling units may be attached as townhomes or zero-lot line developments and the City may waive the minimum lot size and width requirement. Tiny Homes Permitted

- Tiny homes, also known as Park Model Recreation Vehicles, are now permitted for temporary or recreational use in mobile home and RV parks and may be approved for use as a dwelling unit subject to conditions.
- Manufactured homes, mobile homes, RV's, park models, tiny homes, and campers are now permitted for residential use in mobile home parks, manufactured housing communities, and manufactured/mobile home communities.
- Recreational Vehicles may now be used as a residence in RV and Mobile Home Parks subject to conditions.
- Dwelling Units of 600SF or less now qualify for reduced wastewater & water capital facility charges. This includes all categories of dwelling units.

#### City of Dayton

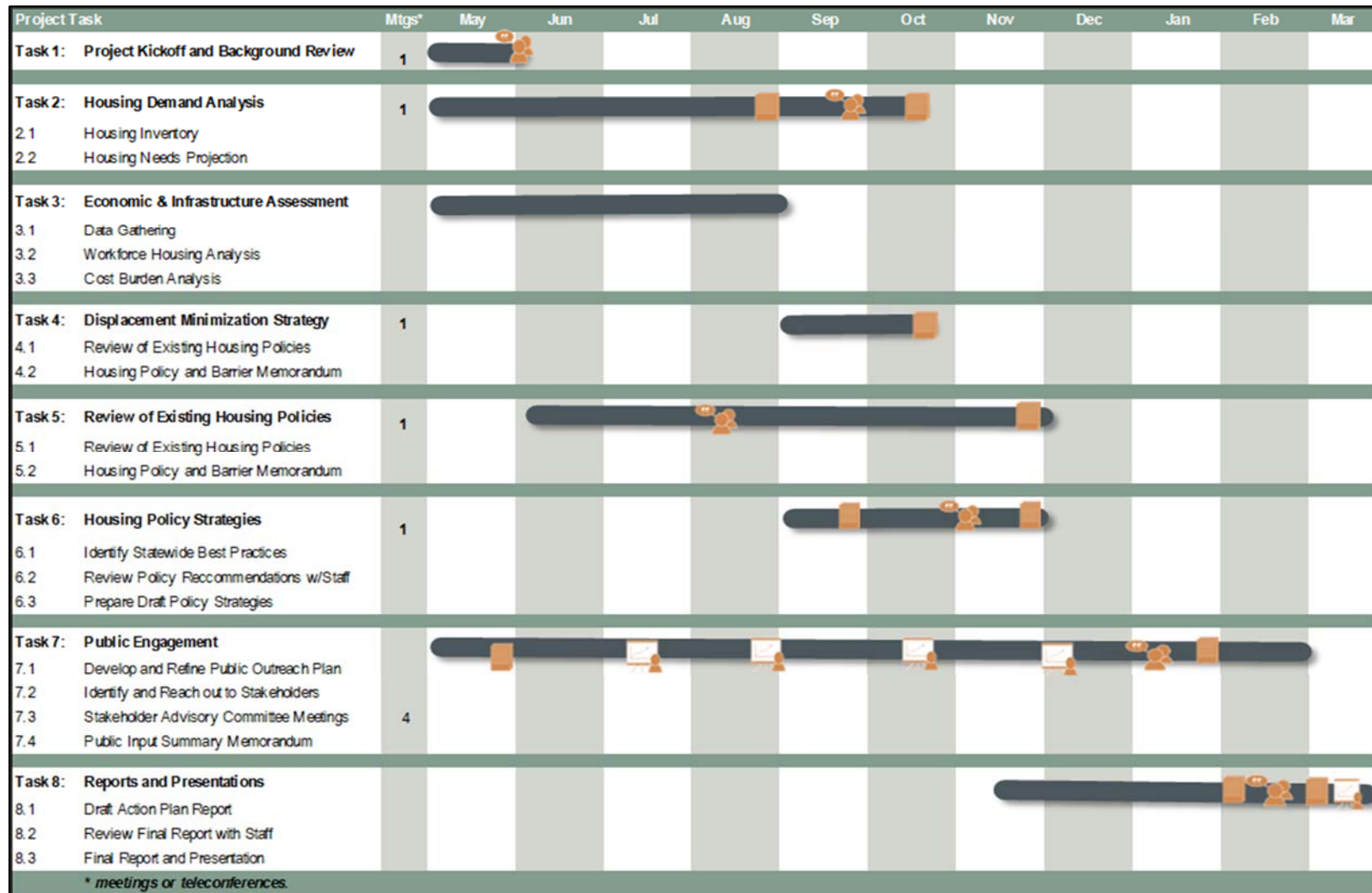
- In addition to mapping their buildable lands, the city revised its zoning code to increase future development potential by allowing plexes in and reducing setbacks in single family zones.
- The city has drafted an ordinance to streamline surplus property procedures.

## APPROACH

The overall project approach/schedule is shown in **Exhibit 2**. Key steps taken to create this report include the following:

- Project coordination meetings: Interim findings were shared with the HAP Plan Advisory Team (PAT) and a Stakeholder Advisory Committee (SAC) made up of regional civic leaders.
- Housing trends and forecasts: the consultant team analyzed most recent available data from a mix of sources, such as the U.S. Census Bureau, American Community Survey, Washington Office of Financial Management to confirm the existing housing inventory, quantify market gaps in housing products, and to establish baseline housing demand forecast.
- Housing gentrification and displacement risk assessment: included analysis of the availability of naturally occurring affordable housing (non-government supported) as well as income-restricted government supported housing in context with local demographic and socio-economic data. Locations where the risk of housing displacement are relatively high were mapped for each community in the region.
- Review of existing housing policies and draft policy recommendations: this included a synthesis of the current housing policies for each community, and identification of potential housing policies and actions that can be taken to address issues identified the HAP.
- Community engagement: the HAP process included stakeholder interviews, PAT and TAC meetings and public surveys with the broader community to identify and evaluate housing issues and policy actions.

Exhibit 2: Project Approach



## COMMUNITY ENGAGEMENT PROCESS

### Public Engagement Plan and Groups Contacted

The Public Engagement Plan (provided in **Appendix A**) for this regional plan is consistent with local and state requirements and reflects best practices. In light of the global Covid-19 pandemic that was in-place during the planning process, the community outreach process utilized virtual video conference meetings/presentations and interactive surveys to evaluate housing affordability, availability and local policies. At the outset of the HAP, a draft Public Engagement Plan was developed and refined based on input from the Project Advisory Team. The engagement plan had four objectives:

1. To provide a forum to share, develop and refine useful information and data,
2. To ensure a shared understanding of current conditions, issues, concerns, and opportunities,
3. To provide avenues for the public, applicable committees, and supporting agencies to be involved,
4. To build support for eventual adoption and implementation.

**Project Advisory Team (PAT) Meetings (4):** PAT members were comprised of planning staff from the cities of Walla Walla, College Place, Waitsburg, and Dayton, and Walla Walla County and the consultant team. The PAT directed and reviewed the research, outreach, and work products in support of the Walla Walla Regional Housing Action Plan. The PAT met four times from May to November 2020

**Stakeholder Advisory Committee Meetings (3):** The Stakeholder Advisory Committee represented a range of informed and committed stakeholder interests. It included representatives of city and county agencies, direct service providers, and other public agencies, along with local property owners, residents, and community organizers. The Committee provided recommendations on key project issues and decisions, helped to shape housing policy options, guided stakeholder and community engagement strategies, and encouraged community members to participate in the planning process. The SAC met three times from July to November 2020.

### Input regarding housing issues, goals and objectives

Two housing surveys were conducted during the HAP planning effort, with input from the PAT and the SAC. The initial Housing Policy Survey was distributed to local planners, developers and housing experts in the region. The survey focused on housing development issues, barriers and policy preferences. Survey respondents were asked to identify the most effective housing policies in their jurisdiction (city and county) and were asked to identify housing actions suggested within HB 1923.

The Housing Policy Survey received five responses. The top housing issues and policies identified for the Walla Walla region included:

- Overall need for additional construction of quality market-rate housing, additional vacant developable land, the need for less development regulations, and the need for new housing development incentives.
- Survey respondents supported local implementation actions regarding: use of cluster zoning (such as lot size averaging with reduced setbacks for new buildings), a shortened subdivision

approval process, clear and objective accessory dwelling unit standards, and increased categorical exemptions for multifamily developments.

## Public Input

The second survey included an electronic Regional Housing Action Plan Survey that was also developed with input from the PAT and TAC and provided in both English and Spanish. The survey focused on the identification of community-defined housing issues, housing affordability perceptions, and barriers to renting or owning a home. Survey respondents were asked to identify actions local officials could take to address housing issues in their community. While the survey is not a statistical representation of all regional residents, the issues and perceptions provided by the respondents are generally consistent with other survey input received during the recent Walla Walla (city and county) Comprehensive Plan updates.

The English survey received 419 responses and the Spanish survey received 3 responses. Survey responses were primarily from residents living in the Walla Walla zip code 99362 (80%), the College Place zip code 99324 (11%), and the Dayton zip code 99328 (4%). Detailed survey results are included in **Appendix B** and are summarized below. While the survey is not considered statistically valid, it does provide a reliable indication of community perceptions regarding housing issues.

### Top 5 Perceived Housing Issues

**1 Housing Cost / Affordability**

**2 Inadequate Housing Availability**

**3 Homelessness**

**4 Range of Housing Types**

**5 Housing Quality**

### Top 5 Housing Actions

**1 Development Partnerships**

**2 Multifamily Tax Incentives**

**3 Grants for First-time Homebuyers**

**4 Housing Rehabilitation Grants**

**5 Increase Residential Land Inventory**

### Top Barriers to Homeownership

Barriers to Home Ownership	Count	Percent
Limited Housing Supply	249	21.9%
Availability of Living Wage Jobs	290	25.5%
Affordability of Available Homes	371	32.6%
Programs for Homeowners	124	10.9%
Lack of Resources/Education on Home Ownership	63	5.5%
Other	40	3.5%
<b>Total</b>	<b>1,137</b>	<b>100.0%</b>

### Top Barriers to Rental Housing

	Count	Percent
Low Vacancy Rates	298	30.0%
Lack of Affordable Rentals	351	35.3%
Strict Rental Requirements	196	19.7%
Confusing Rental Application Process	48	4.8%
Other	101	10.2%
<b>Total</b>	<b>994</b>	<b>100.0%</b>

## II. HOUSING MARKET OVERVIEW

Housing demand is driven by a combination of population growth, household formations and regional economic activity. Population within the Walla Walla Region (includes the cities of Walla Walla, College Place, Dayton and Waitsburg) reached a record high of 47,695 year-round residents in 2019 (*according to the WA Office of Financial Management*).

Population within the Region has been increasing at an annual average rate of 0.68% between 2010-2018, which is three times faster than unincorporated Walla Walla County, but only half the statewide average (**Exhibit 3**).

Exhibit 3: Population Trends

Population Trends			
	2010	2018	AGR
Washington	6,561,297	7,294,336	1.33%
Columbia County	3,957	4,001	0.14%
Dayton	2,463	2,682	1.07%
Walla Walla County	57,585	60,236	0.56%
College Place	8,502	9,136	0.90%
Waitsburg	1,194	1,188	-0.06%
Walla Walla	31,177	32,731	0.61%
Walla Walla Region	43,336	45,737	0.68%
Unincorp. Walla Walla County	14,249	14,499	0.22%

Source: U.S. Census Bureau, 2014-2018 American Community Survey 5-Year Estimates (Table B01003)

AGR: average annual growth rate.

Household income and housing price/rent levels are good indicators of housing attainability. Median household income in Walla Walla County (\$56,533) is currently well below the Washington average (\$70,116). However, overall income levels in Walla Walla County and the city of Walla Walla recorded a slightly faster growth rate than the state average between 2010 and 2018 (**Exhibit 4**).

Exhibit 4: Median Income Trends, 2010-2018

	2010	2018	AGR
Washington	\$57,244	\$70,116	2.6%
Walla Walla County	\$45,575	\$56,533	2.7%
College Place	\$40,137	\$47,525	2.1%
Dayton	\$39,861	\$44,524	1.4%
Waitsburg	\$45,568	\$48,403	0.8%
Walla Walla	\$39,397	\$48,678	2.7%

Source: U.S. Census Bureau, 2014-2018 American Community Survey 5-Year Estimates (Table B25119)

AGR: average annual growth rate.

To meet HUD guidelines for housing affordability, no more than 30% of income should be allocated to housing. Hence, middle-income families earning 80% to 120% of the median household income (MHI) should be able to afford monthly rents at \$1,131 to \$1,696; or homes priced between \$194,000



and \$291,000. If middle-income households pay more than this, they would be “cost burdened” to some degree. As indicated in **Exhibit 5**, using current statistics, affordable monthly housing cost for low-income families is as follows:

- Low Income, \$707 to \$1,131
- Very Low Income, \$424 to \$707
- Extremely Low Income, \$424 or less

**Exhibit 5: Analysis of Attainable Housing Prices/Rents**

<b>Walla Walla County Median Household Income (2018)*</b>		<b>\$56,533</b>
<b>Market Segment by Income Level</b>	<b>Lower-end</b>	<b>Upper-End</b>
Upper (120% or more of MHI)		120%
Middle (80% to 120% of MHI)	80%	120%
Low (50% to 80% of MHI)	50%	80%
Very Low (30% to 50% of MHI)	30%	50%
Extremely Low (less than 30% of MHI)	30%	
<b>Qualifying Income Level</b>	<b>Lower-range</b>	<b>Upper-range</b>
Upper (120% or more of MHI)	\$67,840	or more
Middle (80% to 120% of MHI)	\$45,226	\$67,840
Low (50% to 80% of MHI)	\$28,267	\$45,226
Very Low (30% to 50% of MHI)	\$16,960	\$28,267
Extremely Low (less than 30% of MHI)		\$16,960
<b>Attainable Monthly Rent or Payment (@30% of income level)</b>	<b>Lower-range</b>	<b>Upper-range</b>
Upper (120% or more of MHI)	\$1,696	or more
Middle (80% to 120% of MHI)	\$1,131	\$1,696
Low (50% to 80% of MHI)	\$707	\$1,131
Very Low (30% to 50% of MHI)	\$424	\$707
Extremely Low (less than 30% of MHI)		\$397
<b>Approximate Attainable Home Price**</b>	<b>Lower-range</b>	<b>Upper-range</b>
Upper (120% or more of MHI)	\$291,000	or more
Middle (80% to 120% of MHI)	\$194,000	\$291,000
Low (50% to 80% of MHI)	\$116,000	\$185,000
Very Low (30% to 50% of MHI)	\$69,000	\$116,000
Extremely Low (less than 30% of MHI)	n/a	n/a

*Notes:*

*\* based on current U.S. Census estimates of household income for Walla Walla County.*

*\*\* assumes 5% down (zero down payment for low income purchasers) on 30-yr mortgage @ 3.6% interest; and 1.89% for taxes and insurance.*

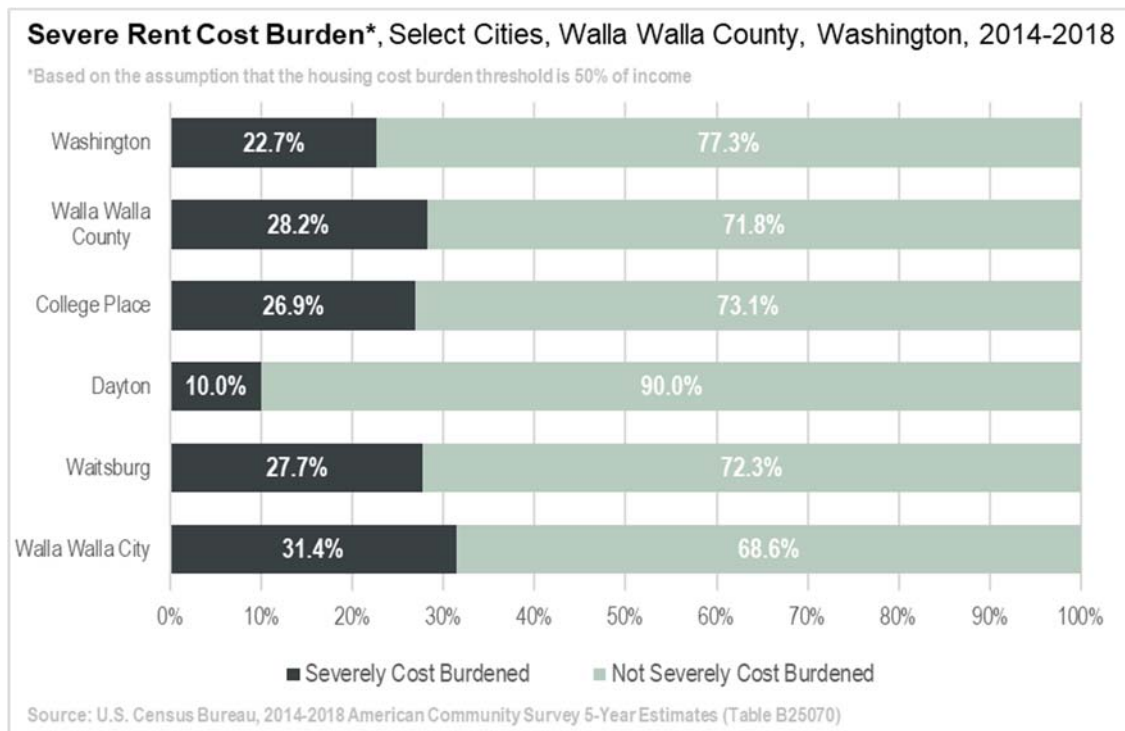
*Source: analysis by FCS GROUP using U.S. Census, American Community Survey data.*

According to the U.S. Housing and Urban Development (HUD), households are considered “cost burdened” if they pay over 30% of their gross income on housing and utilities. Households are “severely cost burdened” if they pay over 50% of their gross income on housing and utilities.

As of 2018, nearly 3 in 10 renters (28%) in Walla Walla County were severely cost burdened by housing expenses alone (**Exhibit 6**). If housing costs continue to rise faster than income levels, the share of severely cost burdened households will continue to increase.



Exhibit 6: Severe Housing Cost Burden by Locality



## Measures of Economic Hardship

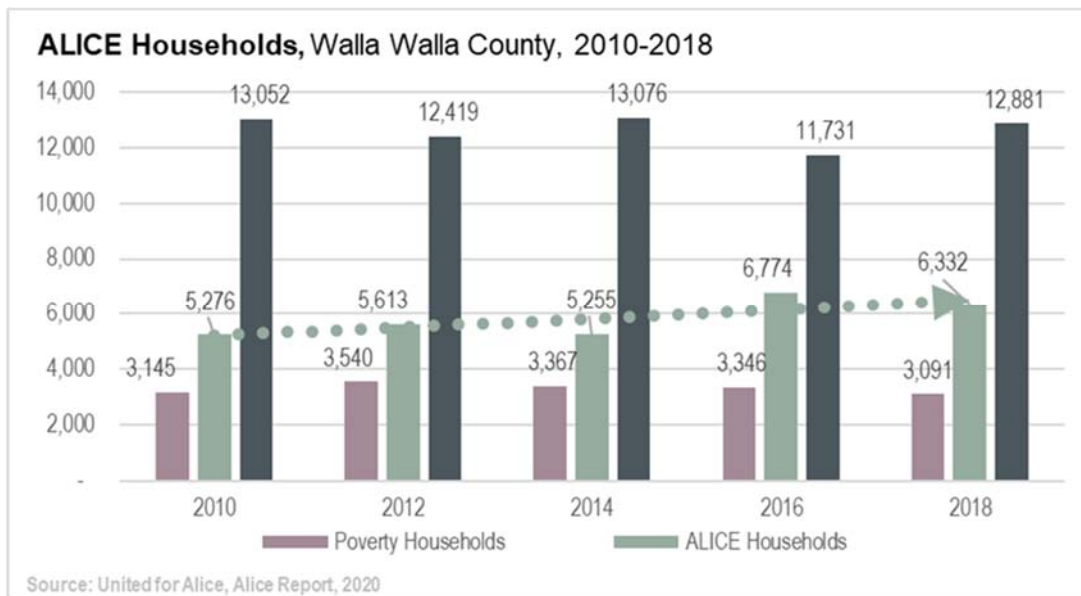
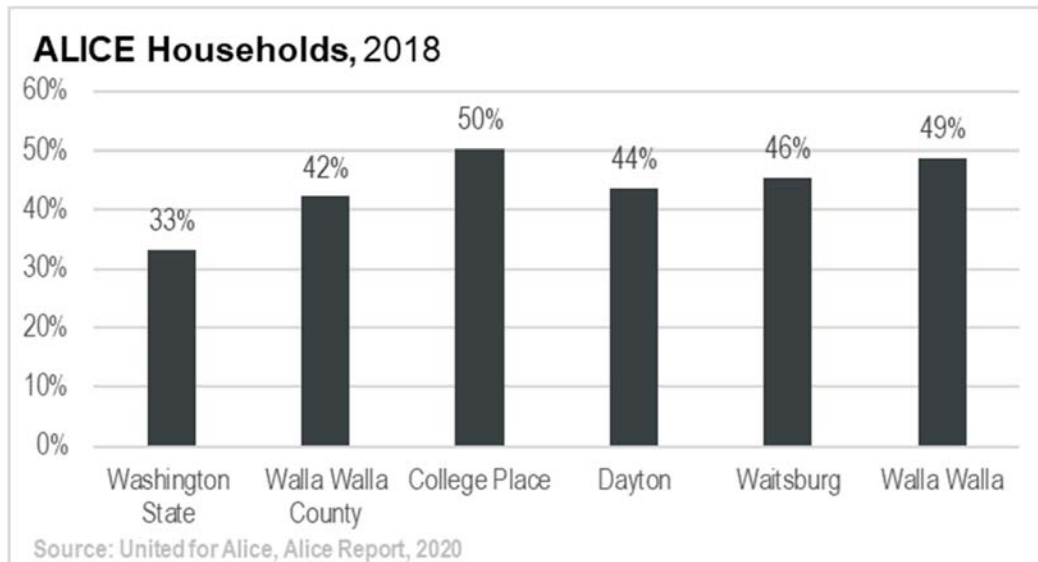
Like many rural communities across the U.S., an increasing share of households in the Region are experiencing economic hardship as the cost of living rises faster than income levels.

Since the War on Poverty began in 1965, the Federal Poverty Level (FPL) has provided a standard for determining the proportion of people living in poverty in the U.S. Despite the FPL's benefit of providing a nationally recognized income threshold for determining who is poor, its shortcomings include the fact that the FPL is not based on the current cost of basic household necessities, and except for Alaska and Hawaii, it is not adjusted to reflect cost of living differences across the U.S. In fact, federal poverty statistics indicate that the number of Walla Walla County households living in poverty decreased by 54 between 2010 and 2018.

In recognition of the short comings associated with federal poverty statistics, the United Way now provides a new measure of economically distressed households struggling in each county in a state. This effort provides a framework, to measure households that do not earn enough to afford basic necessities, with a population segment called **ALICE (Asset Limited, Income Constrained, Employed)**. The ALICE methodology takes into account the total cost of household essentials – housing, child care, food, transportation, technology, and health care, plus taxes and a 10 percent contingency. ALICE data are calculated separately for each county, and for six different household types. For more information check out: <https://www.unitedforalice.org/methodology>

In 2018, 42% of the households in Walla Walla County were either in poverty or in the ALICE category, which is well above the Washington statewide average of 33%. Within the Walla Walla Region, the share of households in poverty and ALICE categories ranged from 44% in Dayton to 50% in College Place (**Exhibit 7**).






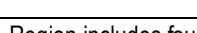
Exhibit 7: ALICE Household as Share of Total Households



## Employment

Employment in the cities of the Walla Walla region has been on a steady upward trajectory since 2002, with an estimated 13,281 jobs in 2002 and 14,006 jobs in 2017 (latest available data) a 5.5% overall increase in that timeframe. Job gains varied by sector, with industries such as Transportation and Utilities, Industrial Trades, and Agriculture recording job losses, while Health Care, Services and Education sectors recording the most job gains during this time frame (**Exhibit 8**).

Exhibit 8: Employment Trends: 2002-2017

Segment	2002 - 2017 Job Growth	2002	2010	2017	Change
Agriculture, Forestry, Fishing and Hunting		230	184	150	(80)
Transportation, Communications & Utilities		700	509	427	(273)
Industrial Trades & Construction		1,978	1,642	1,594	(384)
Retail Trade		2,392	2,911	2,337	(55)
Other Services, Restaurants & Lodging		3,673	4,129	4,022	349
Educational Services		1,042	1,033	1,288	246
Health Care and Social Assistance		3,083	3,396	4,012	929
Public Administration		183	173	176	(7)
<b>Total</b>		<b>13,281</b>	<b>13,977</b>	<b>14,006</b>	<b>725</b>

Source: US Census Bureau, On the Map.com. Region includes four cities: Walla Walla, College Place, Waitsburg and

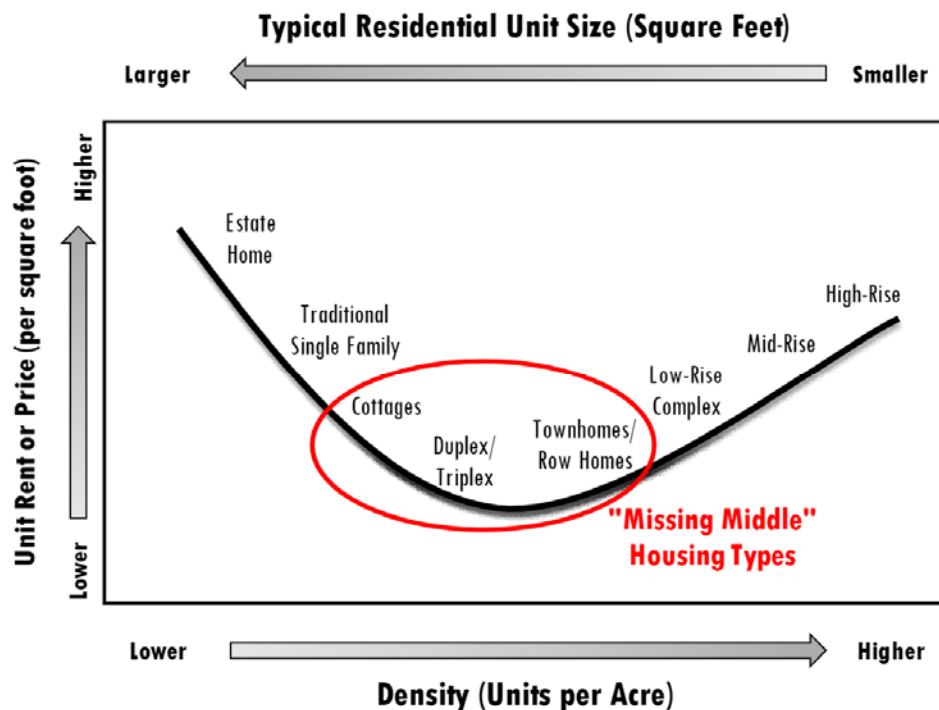
In that same timeframe in the Walla Walla MSA (Walla Walla and Columbia Counties) the civilian labor force increased by 1.9%, a figure well outpaced by job growth in the area according to the US Bureau of Labor Statistics. Unemployment in the area also dropped from 6.9% in 2002 to 4.9% in 2017.

## HOUSING NEEDS FORECAST

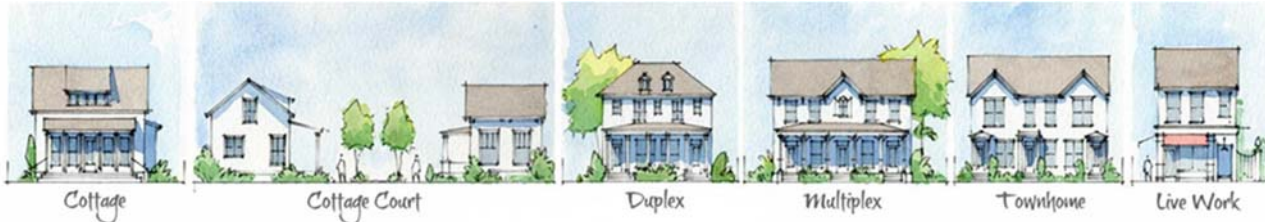
Representatives from public agencies have expressed concern over the lack of attainable and good quality housing for middle income families and local workers. To find attainable housing, some workers must travel long distances between their homes and their jobs to find attainable housing.

The Region would benefit from development of “middle income” housing types, such as apartments, duplexes, townhomes, cottages, manufactured homes and accessory dwelling units (ADUs). These housing types can be delivered at a lower cost and rent level per square foot than standard single family detached and mid-rise housing types (**Exhibit 9**).

Exhibit 9: Middle Housing Types



Source: Washington Department of Commerce Housing Memorandum (PNW Economics and LDC)



## Housing Market Gaps

Low vacancy rates and rising home prices have resulted in deficiencies in the regional housing inventory that could largely be addressed by new housing construction. The regional *Community Council's Affordable Housing Study Report*, Summer 2019, found that median income levels in the City of Walla Walla and College Place would need to increase by at least \$5,400 to enable families to purchase a home at 2018 prices.

The housing affordability gap within the region does vary significantly by location. As shown in **Exhibit 10**, regional home prices are highest in College Place (\$281,000) and lowest in the cities of Dayton (\$152,000) and Waitsburg (\$230,000). As a result of this wide disparity in home prices, approximately 69% of the region's households could likely afford to buy a home in Dayton, but less than half of the households can afford to buy a median priced home in College Place.

Exhibit 10: Median Home Price Sales Trends & Affordability

	5/19/2019	5/20/2020	Change from prior year %	Min. Income Needed to purchase median priced home*	Share of Regional HHs that qualify based on income**
Washington	\$403,000	\$425,000	5.5%	\$83,332	
Columbia County	\$186,400	\$208,300	11.7%	\$40,842	63.1%
Dayton	\$149,000	\$152,000	2.0%	\$29,803	69.3%
Walla Walla County	\$268,000	\$273,000	1.9%	\$53,528	49.5%
College Place	\$276,000	\$281,000	1.8%	\$55,097	48.9%
Waitsburg	\$226,000	\$230,000	1.8%	\$45,097	60.4%
Walla Walla City	\$268,000	\$273,000	1.9%	\$53,528	49.5%

**Source:** Zillow, (6/1/2020), Compiled by FCS GROUP.

\* Assumes 30-year mortgage, 3.6% interest, 1.89% property tax & insurance; 5%

\*\* Assumes 30% of household income dedicated to payments.

The Region's housing gap is most prevalent for long-term rentals as well as less-expensive for sale housing. In other words, there is an inadequate supply of deed-restricted rental housing as well as high-quality market rate apartments and for-sale housing priced under \$300,000. Housing needs reflect an increase in demand for homes in the \$291,000 to \$300,000 price range, which are affordable to households earning around the median income.

As reflected in **Exhibit 11**, the lack of affordable rental housing (priced at \$707/month or lower) has resulted in 791 households living in higher-cost housing than they can afford, which leads to severe rent burdens. If we assume that 33% of the housing gap can be addressed by new policies that encourage near term housing construction, we expect the Region could absorb nearly 240 market rate rentals units and at least 261 deed-restricted rental units within 1 or 2 year (**Exhibit 11**).

Exhibit 11: Rental Housing Market Gaps, Walla Walla Region, 2017

Median Household Income Range	Lower-end	Upper-End	Renter Households Counted	Affordable Monthly Rent Costs *	Level of subsidy required	Estimated Rental Units Counted	Year 2017 Housing (Gap) or Surplus
Upper (120% or more of MFI)	\$67,840 or more		1,304	\$1,696 & Above	Zero	580	(400)
Middle (80% to 120% of MFI)	\$45,226	\$67,840	1,173	\$1,131-\$1,686	Zero	1,497	
Low (50% to 80% of MFI)	\$28,267	\$45,226	1,518	\$707-\$1,131	Low	2,709	1,191
Very Low (30% to 50% of MFI)	\$16,960	\$28,267	1,177	\$424-\$707	Medium	1,541	(791)
Extremely Low (less than 30% of MFI)	\$16,960 or less		1,830	Less than \$424	High	674	
Total			7,001			7,001	

Source: US Census Bureau 2013-2017 ACS, analysis by FCS GROUP.

\* Calculated at 30% of Walla Walla County median family income based on HUD guidelines

#### Analysis of Pent-Up Rental Housing Demand, Walla Walla Region

Median Household Income Range	Renter Households in 2017	Rental Units in 2017	Housing (Gap)	Potential Capture Rate	Pent-up Housing Demand Capture
Upper (120% or more of MFI)	1,304	580	(724)	33%	239
Middle (80% to 120% of MFI)	1,173	1,497	324		
Low (50% to 80% of MFI)	1,518	2,709	1,191		
Very Low (Less than 50% of MFI)	3,006	2,215	(791)	33%	261

**Source:** US Census Bureau 2013-2017 ACS, analysis by FCS GROUP.

## Regional Housing Need

The 20-year regional housing demand forecast takes into account a share of the current market gap for rental housing along (noted in the preceding section) plus the amount of housing required to address demand from the projected changes in population for cities and unincorporated areas of Walla Walla and Columbia counties. Population growth rates are consistent with the adopted comprehensive plans for Walla Walla County and the cities of College Place, Walla Walla, Dayton and Waitsburg.

These plans anticipate a population increase of approximately 9,668 year-round residents by 2040 within Walla Walla County. According to the Walla Walla County Comprehensive Plan, the vast majority of population (and housing) growth is expected to occur within the Walla Walla, College Place and Waitsburg urban areas. Unincorporated areas of the county are projected to add 2,802 people. Since that forecast also reflects unincorporated portions of UGAs for the cities, we expect the majority of new population growth to occur within future annexation areas of local cities.

To estimate urbanization requirements for the four-city region, this regional housing action plan assumes that 70% of the housing growth and 90% of the group quarters population growth within unincorporated Walla Walla County will occur within the UGAs of Walla Walla, College Place, and Waitsburg. As indicated in **Exhibit 12**, this allocation of county growth equates to approximately 107 group quarters residents and 657 dwelling units. A more detailed breakdown of this analysis can be found in **Appendix C**.

Exhibit 12: Projected Regional Housing Capture of Unincorp. Walla Walla County, 2020 to 2040

	Walla Walla County	Unicorp. Walla Walla County**	Regional Housing Capture of Unincorp. County %	Regional Housing Capture of Unincorp. County
Net New Population	9,668	2,802		
New Pop in Group Quarters*	773	119	90%	107
Population in Households	8,894	2,683		
Housing Need for Permanent Residents (dwellings)	3,601	865		
Seasonal & Vacancy Allowance (@9.4 %)	358	74		
Growth-related Housing Demand (dwelling units)	3,959	939	70%	657

Source: FCS GROUP based on local pop. growth forecasts and current ACS data for local areas. \*Group quarters reflects people in dormitories, group homes, institutions, etc. \*\* Includes unincorporated areas within urban growth areas of local cities.

The baseline housing demand forecast converts future population growth into housing needs. To address changing demographic and householder preferences, the baseline housing demand forecast also takes into account the following assumptions:

- Future population growth forecasts for each city within the Walla Walla Region will be consistent with adopted local comprehensive land use plan forecasts (extrapolated).
- The tenancy mix and rate of homeownership will increase slightly overtime to the Washington statewide average (63% owners and 37% renters). Note, this results in a modest increase in homeownership rates within the Region from 60% currently to 63% by year 2040.
- Housing needs reflect increasing demand for attainably-priced middle housing types consistent with 30% of household income allocated to rent or mortgage (principal and interest).



- The housing needs forecast assumes a moderate shift toward middle housing types, including townhomes, plexes, apartments, ADUs and manufactured housing.

Given these assumptions, the Walla Walla Region should plan to add approximately 4,685 net new housing units over the next 20 years. Future housing demand in the Region is likely to include 1,523 standard-lot single family detached homes; 1,104 small-lot detached homes; 732 townhomes/plexes; 894 multi-family units (includes some group quarters demand), and 443 government-supported affordable housing units, manufactured homes and/or ADUs (**Exhibit 13**).

Exhibit 13: Walla Walla Region Housing Needs Forecast, 2020 to 2040

	Walla Walla City	College Place	Waitsburg	Dayton	Region Total
Projected Baseline Housing Demand	2,362	494	153	11 +	3,021
Plus Share of Housing Within Unincorp. UGAs	514	107	33	2 +	657
Plus Demand to Address 33% of Housing Gap	414	87			500
Total Housing Need	3,290	688	187	13 +	4,178
Plus Group Quarters Housing Units (@1.5 people per unit)*	420	88			762
Grand Total (units)	3,710	776	187	13 +	4,685
percent of total	79%	17%	4%	0.3%	100%

Source: FCS GROUP based on local pop. growth forecasts and current ACS data for local areas. \*Group quarters reflects people in dormitories, group homes, institutions, etc.

Projected Housing Need by Housing Type

Projected 2040 Housing Needs	Walla Walla UGA	College Place UGA	Waitsburg UGA	Dayton UGA	Walla Walla Region	Remainder of Walla Walla County
Housing Type						
Single-Family Detached						
Standard Lots	1,142	261	112	9 +	1,523	225
Small Lots, cottages, mfg. homes (lots)	899	205	-	-	1,104	-
Townhouses / Plexes (units)	556	155	19	1 +	732	-
Multi-family units (5+ units per structure)	816	78 +	-	-	894	-
Mobile homes/ADUs/other (units)	297 +	78 +	56 +	3 +	433	56 +
Total Dwelling Units	3,710	776	187	13 +	4,685	282

Projected Housing Need by Income Level

Family Income Level	Owner-Occupied	Renter-Occupied	Total	Dist. %	Attainable Housing Products
Upper (120% or more of MI)	2,361	260	2,621	56.0%	Single Family Lots
Upper Middle (80% to 120% of MI)	384	347	730	15.6%	Cottage Homes, Townhomes, Apartments
Lower Middle (50% to 80% of MI)	207	693	900	19.2%	Townhomes, Mfgd. Homes, Plexes, Apartments
Low (less than 50% of MI)	0	433	433	9.3%	ADUs, Govt. Assisted Apts.
Total	2,952	1,734	4,685	100.0%	

\*Derived from Appendix A.

A more detailed analysis of group quarters housing demand indicates that the majority of this segment is likely to be supported by seniors that desire assisted living facilities, and to a lesser extent university students and special needs population segments (including inmates at the correctional center). As indicated in **Exhibit 14**, the senior housing segment is projected to account for about three quarters of the overall group quarters demand, with the need for almost 380 units of shared senior housing required by year 2040.

Exhibit 14: Projected Senior Housing Demand: Walla Walla Region

	Region Total within UGAs
Current Population	48,363
Proj. Net New Population within Region UGAs (@2.3 persons/HH)	8,485
Future Population year 2040	56,848
Population over Age 65	20%
Share of pop. over Age 65 in Nursing Homes	5.0%
Avg. Household Size within Nursing Homes	1.50
Proj. Net New Population in Nursing Homes	568
Proj. Senior Housing Need (dwelling units)	379

Source: population estimates and forecasts based on WA Office of Financial Management data; nursing home capture rates based on National Institute of Aging estimates, 2015.

## Land Sufficiency Findings

According to the June 2019 Walla Walla County buildable land inventory and development capacity study, Walla Walla, College Place and Waitsburg UGAs had the potential to accommodate over 4,100 net new dwellings at full utilization (**Exhibit 15**). Note, the City of Dayton was included in a separate land capacity study for Columbia County.



Exhibit 15: Land Capacity Analysis (2019)

	Minimum Lot Size (SF)	Net Res. Land Inventory (acres)	Vacant percent	Under-developed percent	Net New Pop. Capacity	Net New Dwelling Capacity	Infill & redevelopment Dwellings	Dwellings on Vacant Land	% infill & redevelopment
<b>Waitsburg</b>					1,466	621	284	337	46%
R96 Suburban Residential	9,600	50.7	62%	38%	538	228	86	142	
Residential (incorporated)	10,000	92.7	49%	51%	875	371	189	182	
Flexible Comm./Res (Incorp.)	10,000	5.6	61%	39%	53	22	9	13	
<b>College Place</b>					588	249	139	110	56%
Multiple Family Residential	n/a	2.1			59	25	-	25	
R-60 Single Family Residential*	6,000	21.6	30%	70%	361	153	107	46	
R-72 Single Family Residential*	7,200	0.3			4	2	-	2	
R-96 Suburban Residential (incorp.)	9,600	6.3	58%	42%	67	28	12	16	
<del>R-96 Suburban Residential (area 2B)**</del>	<del>9,600</del>	<del>39.8</del>	<del>75%</del>	<del>25%</del>	<del>425</del>	<del>180</del>	<del>46</del>	<del>134</del>	
R-96 Suburban Residential (area 2C)	9,600	9.2	51%	49%	97	41	20	21	
<b>Walla Walla City</b>					7,641	3,238	1,632	1,606	50%
Multiple Family Residential	n/a	-			-	-			
R-60 Single Family Residential ***	6,000	-			-	-			
R-72 Single Family Residential ***	7,200	54.7	21%	79%	813	344	271	73	
R-96 Suburban Residential (incorp.)	9,600	569.0	51%	49%	6,116	2,592	1,260	1,332	
R-96 Suburban Residential (other)	9,600	60.8	67%	34%	712	302	101	201	

Source: Revised Land Capacity Analysis, Technical Memorandum, June 2019, the Watershed Company. Note, this analysis was completed prior to the City of Walla Walla creating a Neighborhood Residential zone to allow reduced lot sizes.

\* After 2019, College Place combined zones R-60/R-72/R-75 into a one SF District zone and allows up to two dwellings per lot.

\*\* Area 2B urban growth area expansion request was denied after 2020.

\*\*\* After 2019, Walla Walla changed code to allow 2-4 unit structures and ADUs in all single family zones.

In the years since the aforementioned land capacity analysis was conducted, the cities of Walla Walla and College Place amended their respective zoning codes to allow development of plexes (up to 4 units per structure) within their low density zones. The estimated residential land capacity for the Walla Walla Region assumes there will be a moderate increase in housing density on single family zones in the cities of College Place and Walla Walla, and reflects significant growth potential for the city of Dayton.

As indicated **Exhibit 16**, the Walla Walla Region is now be expected to accommodate nearly 5,058 dwelling units, including 4,611 dwellings with 1 to 4 units per structure, and approximately 447 multi-family dwellings with 5+ units per structure.

Exhibit 16: Regional Residential Land Capacity and Housing Need (2021)

	Infill & Dwellings redevelop- ment Dwellings	on Vacant Land	Total Dwelling Capacity	Projected 20-Year Housing Need	Net Housing Surplus or (Gap)
College Place	206	140	345	747	(402)
1 to 4 units per structure *	146	115	260	672	(412)
5 or more units per structure	60	25	85	75 +	10
Walla Walla City	2,054	1,686	3,740	3,570	170
1 to 4 units per structure *	1,714	1,686	3,400	2,785	615
5 or more units per structure **	340		340	785	(445)
Waitsburg	306	367	673	178	495
1 to 4 units per structure	298	353	651	124 +	527
5 or more units per structure	9	13	22	53	(31)
Dayton	100	200	300	12	288
1 to 4 units per structure ***	100 +	200 +	300 +	12 +	288 +
5 or more units per structure			-	-	-
Region Total	2,665	2,393	5,058	4,507	552
1 to 4 units per structure	2,257	2,354	4,611	3,593	1,018
5 or more units per structure	409	38	447	913	(466)

*Findings are derived from prior tables and input provided by project advisory and stakeholder committees, Washington Dept. of Commerce staff, and the following notations.*

*\* Assumptions for College Place and Walla Walla take into account recent code changes; assumes 5% of the land zoned for single family will be utilized by plexes or ADUs.*

*\*\* Multi-family capacity analysis (5+ units per structure) for Walla Walla reflects current development applications.*

*\*\*\* Dayton capacity analysis derived from City of Dayton Buildable Land Inventory maps.*

While the overall land capacity within the Region appears to be adequate for addressing the long-term housing need for Waitsburg and Dayton, the analysis cited above indicates that nearly half of new construction would need to occur on under-developed (part vacant) tax lots. If property owners do not wish to subdivide their tax lots, the likelihood of meeting housing needs through “infill” is unlikely.

These findings also indicate that the current zoning and related land capacity within the College Place and Walla Walla UGAs (combined) may not be sufficient to fully accommodate multi-family demand. This issue is particularly acute in College Place, where the housing demand for single family and middle housing (672 units) is expected to exceed its zoned land capacity by 412 dwellings.

Based on the residential capacity analysis and this housing needs assessment, the following conclusions are made:

**College Place UGA:** the projected 20-year housing need of 747 dwelling units is far greater than the potential UGA capacity of 345 units, even after accounting for recent code changes and assuming 60% of net new housing will need to be constructed on infill and redevelopment lands.

**Walla Walla UGA:** the projected 20-year housing need of 3,570 dwelling units is below the potential UGA capacity of 3,740 dwelling units. However, the current amount of land zoned for multi-family structures may be inadequate to meet overall housing needs, even after assuming 55% of

the net new housing will be constructed on infill and redevelopment lands (including residential and commercial housing zones).

During the next round of local comprehensive land use plan updates, it is recommended that the cities of College Place and Walla Walla continue to work with Walla Walla County and regional housing advocates to ensure that new housing density can be optimized within current UGAs, and new areas be identified for potential UGA expansion.

**Waitsburg and Dayton UGAs:** the combined projected housing demand of 200 dwellings for these two small cities can be accommodated by their existing UGAs if adequate water and wastewater infrastructure is provided.

Additional policy actions and housing program considerations are provided in the next section.

# III. HOUSING POLICY, PROGRAMS & ACTIONS

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The Walla Walla Region is facing unprecedented challenges to its ability to provide safe and affordable housing. Like many areas across the USA, housing costs are rising faster than income levels and there is a limited supply of skilled workers, inadequate supply of developable lots, and restrictions attributed to development regulations.<sup>2</sup> Local policies and actions aimed at reducing barriers to new construction can help. It is more important than ever for local jurisdictions to work together with public, private and non-profit developers, homeowners and land trusts to identify lasting solutions.

This section identifies potential code changes, affordable housing programs, and strategies to mitigate housing displacement for the most vulnerable population segments. A summary of strategies that can increase the housing supply is provided in **Exhibit 17**.

## STRATEGIES TO INCREASE HOUSING SUPPLY

### Code-Related Policies

In general, development regulations need to be clear and objective, and less restrictive code requirements can lower development costs and lead to a greater variety of housing types. In the Walla Walla Region, the need for code amendments varies by city. While Walla Walla and College Place have already implemented many of the state recommendations regarding increased flexibility in the types of housing allowed in low-density zones, Dayton and Waitsburg may benefit from additional code updates.

It is recommended that cities within the region consider reducing or eliminating minimum lot size requirements and removing parking and owner occupancy requirements for accessory dwelling units. All cities can strive to improve the efficiency of their permitting process.

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<sup>2</sup> American Planning Association. "APA Policy Guide on Housing" (2019). Guide available at <https://www.planning.org/publications/document/9178529/>

Some code-related best practices include the following:

1. Single Family Zones
  - Authorize cluster zoning or lot size averaging in all zoning districts that permit single-family residences to allow developers to incorporate natural features into their site plans and minor partitions.
2. Accessory Dwelling Units
  - Remove owner occupancy requirements related to accessory dwelling units.<sup>3</sup>
  - Remove minimum residential parking requirements related to accessory dwelling units.<sup>4</sup>
3. Middle Housing Types
  - Ensure that local zoning ordinances do not unduly hinder the functioning and placement of manufactured homes.
  - Ensure local zoning ordinances specifically allow slightly used manufactured homes.
  - Reduce the minimum lot size for duplex and multifamily developments to 7,500 square feet or less or eliminate minimum lot size requirements to promote the development of greater diversity of housing types.
  - Adopt other permit process improvements where it is demonstrated that the code, development regulation, or ordinance changes will result in a streamlined and more efficient permit process to attract interest from developers.<sup>5</sup>

### Development Incentive Programs

To better understand the feasibility of developing multifamily apartments in the Region, FCS Group conducted a supplemental analysis of two prototypical multifamily developments (garden apartments and flats) in the city of Walla Walla, which is summarized in **Appendix D**. The analysis evaluated financial feasibility from the perspectives of either a for-profit or a non-profit developer. Key conclusions from the financial analysis are:

- The current housing market is strong enough to attract for-profit developers
- Garden apartments are viable without incentives
- Market rate flats over parking will likely require some form of development incentive (see list below)
- Income-restricted affordable housing developments and mixed-income housing by a for-profit developer, will also require incentives to be market feasible, such as:
  - 12-year tax abatement (for affordable housing element)

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<sup>3</sup> RCW 36.70A.600. (2020). Washington State Legislature. <https://app.leg.wa.gov/RCW/default.aspx?cite=36.70A.600>

<sup>4</sup> RCW 36.70A.600. (2020). Washington State Legislature. <https://app.leg.wa.gov/RCW/default.aspx?cite=36.70A.600>

<sup>5</sup> RCW 36.70A.600. (2020). Washington State Legislature. <https://app.leg.wa.gov/RCW/default.aspx?cite=36.70A.600>.

- Impact fee reduction (e.g. lower utility connection charges) for deed restricted affordable housing elements.
  - Land write-down
  - Parking reductions
  - The use of a non-profit developer for a 100% affordable development could make the development “pencil” with fewer incentives than would be required with a for-profit developer.
- There are specific strategies that can be considered to increase the production of affordable housing and to reduce the cost of owning or renting a home:

1. Incentives for affordable housing:
  - Multifamily Tax Exemption (applies to City of Walla Walla only) is currently allowed for cities with over 15,000 people and is now a policy that applies in downtown Walla Walla. This program includes an 8 or 12-year property tax exemption based on the value of improvements for 4+ housing units, depending on the share of units that are to be set aside for low-income families. This program is designed to promote needed housing development in targeted areas of the urban core by directly addressing the financial feasibility gap.
  - It is recommended that Walla Walla consider expanding this program by including areas outside downtown that have proximity to public transit and community services.
  - Consider allowing bonus density increases for any deed-restricted affordable housing development, including single-family or multifamily residences located on real property owned or controlled by a religious organization.<sup>6</sup>
2. Incentives for home ownership:
  - Enhance and promote existing programs that supply down payment assistance and application support a matching grant program for first-time homebuyers.

#### Other Actions that can help lower development costs and housing costs

1. **Sponsor Construction-related Workforce Training:** Economic development strategies that improve local resiliency through workforce training bolster opportunity for existing residents. Each city in the region can work with higher and secondary educational institutions to take advantage of sector-based partnerships. Construction-related training and volunteer programs (such as Habitat for Humanity) that deliver housing improve the supply of low-income housing and improve skills for workers. The goal is to create programs that offer training/apprenticeships and future job opportunities that improve the quality of jobs in the area.
2. **Pursue Public/Private Developments:** Cities and county governments can leverage private or non-profit development of under-utilized public lands. Typically formulated as private

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<sup>6</sup> 2019-2020 Housing Laws. Washington State Department of Commerce.  
<https://deptofcommerce.app.box.com/s/uvqd9297a8tisplk0jjulwe97fnr66px>

construction of housing and/or commercial space on public land public/private partnerships can lead generate both market rate and affordable housing in the region.

3. **Support Development of a Community Land Trust:** Community land trusts create additional affordable home ownership opportunities by removing land from the costs of real estate. In a traditional Community Land Trust model, the homeowner owns the home (and the value of any improvements), but a nonprofit owns the land. Developments that are constructed on land trust parcels tend to have more stable housing values, which are somewhat insulated from the overall real estate market and reflective of the local cost of living.

Community land trusts can be granted the right of first offer or right of first refusal to allow them to purchase homes in specifically vulnerable communities to provide homeownership opportunities to households with low-income households. Right of first offer places very minimal requirements on property owners. Notice would be sent that a property will be for sale and either the trust or the owner sets and offer price depending on the program framework.

## DISPLACEMENT MINIMIZATION STRATEGIES

Many of the policy measures and programs listed above will help increase the housing supply while enhancing housing affordability. Additional measures are needed to address displacement that tends to occur with major redevelopment. Displacement occurs when households or businesses are involuntarily forced out of an area due to increasing housing prices/property taxes or due to economic and demographic changes that alter the neighborhood's character. Gentrification, a well-documented housing issue since the 1960s, has traditionally been associated with urban cores, but rural gentrification is now an issue in light of the ever-expanding digital workforce and access to goods online.

Gentrification typically occurs in areas with relatively low property values and nearby amenities. As demand in the region grows, areas with relatively low rents/home values and/or areas perceived as having lower-quality housing become more attractive and profitable for redevelopment. Some housing experts expect that the recent global pandemic will only increase gentrification in smaller communities.

### Findings for Walla Walla Region

Vulnerability is calculated using factors closely associated with an increased probability of redevelopment coupled with the evaluation of local demographic conditions. US Census data depicting housing tenure, poverty rates, educational attainment, median home value, median gross rent, and race/ethnicity are considered in order to identify specific Census Block Groups that may be most vulnerable to displacement. While Walla Walla was the only city in the region with vulnerability on five out of six data variables, each jurisdiction in the region contains populations vulnerable to displacement. Please refer to the detailed analysis provided in **Appendix E**.

### Strategies to Address Physical Displacement

- Require a displacement impact assessment to be provided by the applicant for major redevelopment projects. An impact assessment is a method of tracking how many net new housing units are being developed in a specific location after accounting for existing housing units (and households) that are likely to be displaced.

- Partner with groups offering weatherization and energy efficiency services for low-income homeowners and seniors.

### Strategies to Address Economic Displacement

Strategies to improve housing outcomes for economically vulnerable populations and seniors:

- Support programs that provide emergency rental assistance for families facing eviction and/or homelessness due to temporary economic hardship.
- Consider adoption of a resolution to extend the notice period for no-cause evictions to 60 days for landlords with five or more units to allow renters additional time to plan, contact services, and hopefully relocate without a disruption in adequate housing.
- Consider new policies that preserve existing manufactured housing parks, including a new manufactured housing park zone classification.
- Address the causes of homelessness by working with local agencies and non-profits that provide direct services to this community.<sup>7</sup>
- Encourage the development and retrofitting of housing for seniors and people living with disabilities that is physically accessible and adheres to Universal Design Principles.<sup>8</sup>

### Strategies to Address Cultural Displacement

Locating rental opportunities and completing multiple applications with individual documentation requirements and fees is often listed as a major barrier to obtaining adequate housing. This is particularly true for families facing unforeseeable displacement and possible homelessness and is compounded in rural areas often overlooked by statewide databases and national tenant resource websites. As regional population grows and rents increase, local government agencies can become more directly involved in the rental market and application process. As with other recommendations, this involvement exists on a spectrum depending on the severity of housing issues and the success of initial programs.

### Strategies to Streamline Rental Application Process

A registration program would create a consolidated database of available government-supported affordable housing units in the region, along with cost estimates. Cities like Seattle have instituted a Rent Registration and Inspection Ordinance (RIIO)<sup>9</sup> that requires all rental

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<sup>7</sup> Walla Walla Comprehensive Plan Update. (2018). City of Walla Walla.  
<https://www.wallawallawa.gov/home/showdocument?id=854>.

<sup>8</sup> Universal Design in Housing. (2006). The Center for Universal Design.  
[https://projects.ncsu.edu/ncsu/design/cud/pubs\\_p/docs/UDinHousing.pdf](https://projects.ncsu.edu/ncsu/design/cud/pubs_p/docs/UDinHousing.pdf).

<sup>9</sup> City of Seattle, Rental Registration and Inspection Ordinance, accessed March 25, 2021 via  
<https://www.seattle.gov/sdci/codes/licensing-and-registration/rental-registration-and-inspection-ordinance>



properties to register with the City and demonstrate adequate habitability. A similar database could also serve as a resource for families searching for housing.

Searchable databases of available rentals in the region could also be linked to websites providing tenant information on applications and screening. A small fee per unit could be established to fund the program, which could include a streamlined application process.

The King County Housing Authority website<sup>10</sup> contains housing listings for various government subsidized apartments at different eligibility requirements and market rate housing at different price points. Market rate housing listings are included by linking to Apartments.com, which appears to have a streamlined tenant screening and application process. While not a requirement, inclusion of Apartments.com serves as a powerful incentive for local landlords to list their apartments on the website.<sup>11</sup> New York City has created a similar searchable database called NYC Housing Search<sup>12</sup> and a streamlined application process for all available government subsidized housing, called NYC Connect.<sup>13</sup>

A streamlined and affordable mechanism for locating available housing in the region would mitigate the impacts of displacement by aiding families in locating alternative housing within their existing community. Partnering with housing groups in the area could help mitigate initial program costs. For example, Tenants Union of Washington State has a variety of resources online regarding the screening process and fees.<sup>14</sup>

## Land Supply Strategies

In active collaboration with the cities of Walla Walla, College Place, and Waitsburg, work with Walla Walla County to review and update the 1993 Countywide Planning Policies to actively promote the development of new affordable housing opportunities. This may include, but is not limited to:

- a. Updating the methodology for more realistically determining the development capacity of existing lands.

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<sup>10</sup> King County Housing Authority Apartment Search Resource <https://www.kcha.org/>

<sup>11</sup> Online Rental Application for Apartments.com: [https://www.apartments.com/rental-manager/features/online-rental-applications?gclid=Cj0KCQjwo-aCBhC-ARIsAAkNQiuOFW\\_vSyyGBrtVpNem93vueHCgD\\_FTlwTVBQYigk6flvC50vJQ2w0aAkFpEALw\\_wcB&gclsrc=aw.ds](https://www.apartments.com/rental-manager/features/online-rental-applications?gclid=Cj0KCQjwo-aCBhC-ARIsAAkNQiuOFW_vSyyGBrtVpNem93vueHCgD_FTlwTVBQYigk6flvC50vJQ2w0aAkFpEALw_wcB&gclsrc=aw.ds)

<sup>12</sup> New York City Housing Search database: <https://www.nyhousingsearch.gov/index.html>

<sup>13</sup> New York City Housing Connect centralized government housing application process and fee schedule: <https://www1.nyc.gov/site/hpd/services-and-information/housing-connect-rentals.page>

<sup>14</sup> Tenants Union of Washington State, Tenant Screening Information Hub: <https://tenantsunion.org/rights/tenant-screening>

- b. Exempting the new construction of affordable housing on publicly owned land from the assessment of the need for new housing.
- c. Increase the percentage of projected new growth allocated to the cities of Walla Walla and College Place.
- d. Increasing the market factor to allow for the addition of land to urban growth areas based on a finding that there is a critical shortage of affordable housing.
- e. Authorizing further increases in the market factor to support specific strategies to increase the construction of new multi-family housing in cities. This may include affordable housing “bonuses”.
- f. Monitoring new residential development and providing for more frequent updates of the Countywide Planning Policies.
- g. Ensuring that there is an adequate supply of new commercial development to serve new residential development.
- h. Supporting the cost-effective planning, construction, and use of public infrastructure to serve new residential development.

It is recommended that Walla Walla County, in active collaboration with the cities of Walla Walla, College Place, and Waitsburg, inventory and assess publicly owned lands in urban growth areas as sites suitable for the construction of affordable housing.

**Exhibit 17: Housing Action Plan Policy Recommendations\***  
**City of Walla Walla Implementation Approach**

FOCUS AREA	POLICY/ACTION	DETAILS	CITIES	TIMELINE	LEAD DEPT.	ASSISTING DEPT. OR ORG.	APPLICABLE TO WALLA WALLA
Code Changes	Authorize cluster zoning or lot size averaging in all zoning districts that permit single-family residences. (RCW <a href="#">36.70A.600</a> )	Allows developers to navigate around natural features and reduces development costs. May be most appropriate for large subdivisions or planned urban developments.	College Place, Dayton, Waitsburg				N/A
Code Changes	Allow for the division or redivision of land into the maximum number of lots through the short subdivision process. (RCW <a href="#">36.70A.600</a> )	"The legislative authority of any county planning under RCW 36.70A.040 that has adopted a comprehensive plan and development regulations in compliance with chapter 36.70A RCW may by ordinance increase the number of lots, tracts, or parcels to be regulated as short subdivisions to a maximum of nine in any urban growth area" (RCW 58.17.020 Definitions)	Dayton, Waitsburg				N/A
Code Changes	Adopt increase in categorical exemptions for residential or mixed-use development. (RCW <a href="#">36.70A.600</a> )	Categorically exempts government action related to development proposed to fill in an urban growth area, designated according to RCW 36.70A.110, where current density and intensity of use in the area is roughly equal to or lower than called for in the goals and policies of the applicable comprehensive plan. (RCW 43.21C.229)	ALL	Near term (1-2 years)	Develop. Services	Public Works Support Services WW Planning Commission WW City Council	

Code Changes	Authorize at least one duplex, triplex, quadplex, six-plex, stacked flat, townhouse, or courtyard apartment on each parcel in one or more zoning districts that permit single-family residences unless a city documents a specific infrastructure of physical constraint that would make this requirement unfeasible for a particular parcel. (RCW <a href="#">36.70A.600</a> )	Creates more housing options.	All cities in the region allow duplexes in single family zones; College Place and Walla Walla allow up to 4-units			N/A
Code Changes	Authorize a minimum net density of six dwelling units per acre in all residential zones, where the residential development capacity will increase within the city. (RCW <a href="#">36.70A.600</a> )	For purposes of this subsection, the calculation of net density does not include the square footage of areas that are otherwise prohibited from development, such as critical areas, the area of buffers around critical areas, and the area of roads and similar features	ALL	Near term (1-2 years)	Develop. Services	Public Works Fire Dept. Support Services WW Planning Commission WW City Council
Code Changes	Remove minimum residential parking requirements related to accessory dwelling units. (RCW <a href="#">36.70A.600</a> )	Reduces barriers to ADU development.	ALL	Near term (1-2 years)	Develop. Services	Public Works Fire Dept. Support Services WW Planning Commission WW City Council
Code Changes	Remove owner occupancy requirements related to accessory dwelling units (RCW <a href="#">36.70A.600</a> )	Creates more flexibility for owners who may wish to rent their ADU. Provides additional rental housing.	Dayton, Waitsburg			N/A

Code Changes	Adopt other permit process improvements where it is demonstrated that the code, development regulation, or ordinance changes will result in a more efficient permit process for customers (RCW <u>36.70A.600</u> )	Streamlining can generate development interest.	ALL	Near term (1-3 years)	Develop. Services	Public Works Fire Dept.
Code Changes	Reduce the minimum lot size for duplexes and multifamily development to 7,500 square feet or less or eliminate minimum lot size requirements.	Reducing or eliminating lot sizes promotes the development of a greater diversity of housing types.	Waitsburg			N/A
Code Changes	Reduce the required minimum lot area for new platted lots to 7,500 square feet or less or eliminate minimum lot size requirements.	Reducing or eliminating lot sizes promotes the development of a greater diversity of housing types.	Waitsburg			N/A
Code Changes	Remove "are compatible with the neighborhood characteristic" from the definition of Neighborhood Residential or clearly define how to achieve this in the code.	Best practices support using terms that are clearly defined. "Neighborhood character" may be interpreted in many different ways.	Walla Walla	Near term (1-2 years)	Develop. Services	WW Planning Commission WW City Council
Code Changes	Reduce the minimum lot size for multifamily development from 3,600 square feet per unit to less than 2,000 square feet per unit.	Reducing or eliminating lot sizes promotes the development of a greater diversity of housing types.	Dayton			N/A
Code Changes	Remove guest parking space requirements for multifamily dwelling units.	Reduces barriers to the development of multifamily housing.	Waitsburg			N/A
Code Changes	Remove conditional use permit requirements for manufactured homes.	This creates an additional cost burden for a type of home that is valued for its affordability.	Waitsburg			N/A

Anti-Displacement	Integrate displacement into the analysis and review of potential policies, programs, and development applications by creating a standardized assessment of potentially unintended consequences upfront and enforcing reasonable mitigation efforts directly connected to the proposal.	An impact assessment tracks how many affordable units are being developed and at the cost of how many existing units. The assessment can be conducted by the applicant or city staff.	ALL	Long-term (5-7 years)	Develop. Services	Support Services (CDBG) WW Planning Commission WW City Council Community Council
Anti-Displacement	Create a rental registration program to track available units in the region and rental costs. (Affordable Housing Report)	This program would work to improve access to rental information and reduce the burden of multiple applications, fees, and credit checks.	Regional Effort	Long-term (5-7 years)	Support Services	Develop. Services WW Planning Commission Private Sector (landlords) Housing Providers Community Council
Anti-Displacement	Extend the notice period for no cause evictions to 60 days for landlords with five or more units.	Provides renters with time to plan, contact services, and relocate.	ALL	Mid-term (3-5 years)	Support Services	Housing Providers Private Sector CA Office WW City Council
Anti-Displacement	Enhance and promote existing programs that supply down payment assistance and application support to first time homebuyers.	Washington offers the Home Advantage Needs Based Downpayment Assistance Loan Program to eligible homebuyers.	ALL	Near term (1-2 years)	Support Services (CDBG)	Common Roots

Anti-Displacement	Identify job training partnerships to foster local opportunities and prosperity through improved workforce development initiatives.	Economic development strategies that improve local resiliency through workforce training bolster opportunity for existing residents. Focus on both higher and secondary educational institutions in the region to take advantage of sector-based partnerships. Construction based partnerships in particular are likely to improve the supply of low-income housing.	ALL	Long-term (5-7 Years)	Support Services	Develop. Services Colleges/ Universities Private Sector
Anti-Displacement	As neighborhoods change, work to eliminate the displacement of those who are under-served or under-represented.	Promotes equitable housing practices.	ALL	On-going	Develop. Services	Support Services
Anti-Displacement Affordable Housing	Support existing programs that provide emergency rental assistance for families facing homelessness due to temporary economic hardship.	Many state and county programs offer emergency rental assistance.	ALL	On-going	Support Services	BMAC WW County Dept. of Comm. Health
Anti-Displacement Affordable Housing	Identify and acquire sites suitable for affordable housing.	Cities can work with state agencies and an community land trust to identify "surplus property" and acquire tax lots in foreclosure. Sites should be evaluated based on cost, density, environmental quality, access to transportation, community services, and housing types that can be produced.	ALL	Long-term (5-7 years)	Support Services	WW City Council Common Roots
Anti-Displacement Affordable Housing	Establish a community land trust to create additional affordable home ownership opportunities.	In a traditional Community Land Trust model, the homeowner owns the home (and the value of any improvements), but a nonprofit owns the land. Thus, creating additional affordable opportunities for homebuyers by removing land from the cost of real estate.	College Place, Dayton, Waitsburg			N/A

Anti-Displacement	Create a right of first offer/refusal program for the community land trust.	Community land trusts can be granted the right of first offer or right of first refusal to allow them to purchase homes in specifically vulnerable communities to provide homeownership opportunities to households with low-income households.	ALL	Long-term (5-7 years)	Support Services	CA Office WW City Council Common Roots
Anti-Displacement Energy Efficiency	Partner with groups offering weatherization and energy efficiency services.	Weatherization and energy efficiency services can reduce housing costs, increasing the affordability of owning a home.	College Place, Dayton, Waitsburg			N/A
Affordable Housing	Work with the state to identify opportunities for affordable housing on public land.	Washington state (through RCW 43.63A.510 and RCW 39.33.015) directs specific state agencies to inventory under-utilized or surplus state-owned land, which can be used to develop housing for low- and very-low-income households.	ALL	Mid-term (3-5 years)	Support Services	State agencies CA Office
Affordable Housing	Multifamily tax exemption	Promotes the development of multifamily housing.	Walla Walla	Near term (1-2 years)	Support Services	Develop. Services
Affordable Housing	Local community land trust	Support the development of a local community land trust	ALL	On-going	Support Services	Common Roots
Energy Efficiency	Encourage residential development that conserves water, reduces energy use, and uses sustainable materials.	Energy efficiency services can reduce housing costs and sustainable materials reduce the home's environmental impact.	ALL	Mid-term (3-5 years)	Develop. Services	State Building Code Council
Accessibility and Seniors	Encourage the development and retrofitting of housing for seniors and people living with disabilities that is physically accessible and adheres to Universal Design Principles.	Accessible homes provide seniors and people living with disabilities independence.	ALL	On-going	Develop. Services	Fire Dept. Public Works



Accessibility and Seniors	Allow for housing types and designs that allow seniors to age in place.	Neighborhoods with diverse housing types allow seniors to age in place by remaining in their home or moving to a smaller home in the same neighborhood.	ALL				N/A – permitted in WW
Homelessness	Address the causes of homelessness by working with local agencies and non-profits that provide services to this community (Walla Walla City policy 1.2)	Example policy that addresses underlying causes of homelessness.	Waitsburg, Dayton				N/A
Homelessness	Allow an increased density bonus consistent with local needs for any affordable housing development of any single-family or multifamily residence located on real property owned or controlled by a religious organization. (2019-2020 Housing Laws)	Provides a density bonus for affordable housing on religious organizations' land.	ALL	Mid-term (3-5 years)	Develop. Services	Support Services Public Works Fire Dept. WW Planning Commission WW City Council	
Land Supply	Walla Walla County, in active collaboration with the cities of Walla Walla, College Place, and Waitsburg review and update the Countywide Planning Policies to address the methodology for buildable lands, population allocation, and other strategies to support housing development.	Housing needs assessment identified potential concern that over 50% of the housing capacity available in the cities of College Place and Walla Walla are redevelopable lands and is that a reasonable assumption.	College Place, Waitsburg, and Walla Walla	Near term (1-2 years)	Develop. Services	Support Services WW Planning Commission WW County WW City Council	

\* In this table, the term “affordable housing” refers to income-restricted housing units.

#### Sources:

RCW 36.70A.600. (2020). Washington State Legislature. <https://app.leg.wa.gov/RCW/default.aspx?cite=36.70A.600>.

Affordable Housing Community Council Report. (2019). Community Council. [https://res.cloudinary.com/dpmkpsih/image/upload/ww-community-council-site-354/media/1125/affordable-housing-study-report\\_2019.pdf](https://res.cloudinary.com/dpmkpsih/image/upload/ww-community-council-site-354/media/1125/affordable-housing-study-report_2019.pdf).

Walla Walla Comprehensive Plan Update. (2018). City of Walla Walla. <https://www.wallawallawa.gov/home/showdocument?id=854>.

2019-2020 Housing Laws. Washington State Department of Commerce. <https://deptofcommerce.app.box.com/s/uvqd9297a8tisplk0jjulwe97fmr66px>

# APPENDIX A: PUBLIC OUTREACH PLAN

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## Walla Walla Regional Housing Action Plan

### Public Outreach Plan

August 2020

1. Overview: FCS GROUP and Fregonese Associates will assist local staff in executing a public outreach strategy that is consistent with local and state requirements and best practices. The outreach process will:
  - Assist local communities of College Place, Walla Walla, Dayton and Waitsburg with identifying current and future housing needs.
  - Consider housing policies to improve housing availability and affordability.
2. Objective: To provide opportunities for community participation throughout the planning process.
  - The community participation process is designed to meet the following objectives:
    - i. Provide a forum to share, develop and refine ideas and data.
    - ii. Develop a shared understanding of current housing conditions, issues, concerns, and opportunities.
    - iii. Provide avenues for the public, applicable committees, and supporting agencies to be involved during the planning process.
    - iv. Build support for adoption of local housing policies.
3. Activities:
  - Stakeholder Advisory Committee: The Advisory Committee will represent a range of informed housing perspectives. The committee will include representatives of city and county agencies, housing providers, and other public agencies, along with local property owners, residents, and community organizers.
    - i. The Committee will assist local planning staff and consultants with reviewing housing issues and helping to shape housing policy options, guiding community engagement strategies, and encouraging community members to participate in the planning process.
    - ii. The Committee will meet up to four (4) times during the project at regular intervals consistent with significant milestones in the project.
      1. July 2020: Introductory Goal Setting & Outreach Strategies
      2. September 2020: Housing Gaps and Needs Assessment
      3. November 2020: Draft Housing & Displacement Minimization Strategies
      4. February 2021: Existing Policy Barriers & Final Recommendations for Housing Strategies
    - iii. Consultants will conduct survey of committee members and other identified stakeholders prior to the first meeting to frame discussion of existing and suggested housing policies.
  - Stakeholder Interviews (August -September 2020)

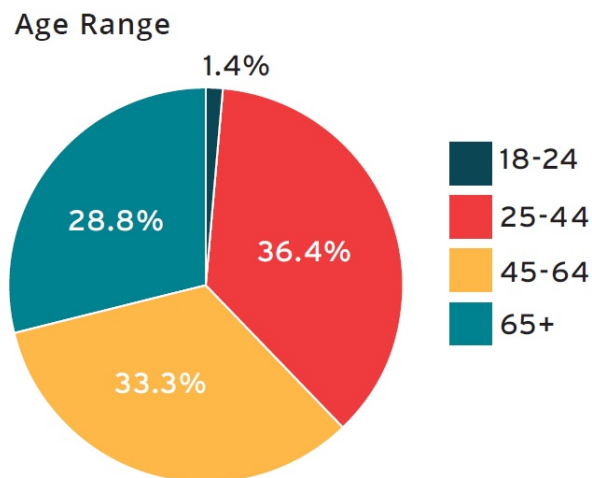
- i. Consultants will interview local, regional, and state housing experts regarding housing conditions, barriers, opportunities, and potential policy solutions. Developers of both affordable housing and higher market rate units will provide insight into existing tools they use to make projects ‘pencil’ and the regulatory barriers that can preempt new housing development.
  - ii. A mix of virtual meetings and telephone interviews are planned.
  - iii. Specific stakeholder groups are to be identified by City staff and include, but are not limited to:
    1. Walla Walla Housing Authority,
    2. Blue Mountain Action Council,
    3. Identified local community or neighborhood groups
    4. Housing developers and real estate brokers.
  - In addition, any input received from the public during the development and adoption of the regional housing action plan will be summarized by local city representatives as part of the public record.
4. Potential Additional Tools:
  - Email blasts from mailing list
  - Project website(s) with infographics, reports, and presentation summaries
5. Adoption Outreach (April to March 2021)
  - Public Comment via websites

# APPENDIX B: WALLA WALLA REGIONAL HOUSING ACTION PLAN SURVEY RESULTS

Question 1: What is Your Home ZIP Code?

Zip Code	Count	Percent
87505	1	0%
97862	1	0%
99323	1	0%
99324	44	11%
99328	15	4%
99348	1	0%
99352	1	0%
99360	1	0%
99361	3	1%
99362	322	81%
99363	2	1%
98188	1	0%
89119	1	0%
90009	1	0%
98204	1	0%
85737	1	0%
99205	1	0%
98146	1	0%
99365	1	0%
Total	400	100%

Question 2: What is Your Age Range?



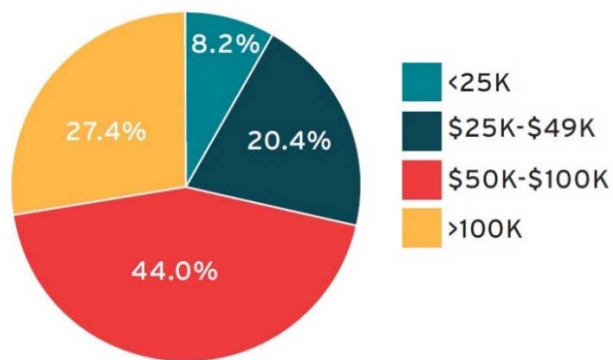
423 Total Responses

**Question 3: How do you identify your race or ethnicity? (check all that apply)?**

Race or Ethnicity	Count	Percent
Hispanic Latino/a/x	38	8%
White	362	80%
Native Hawaiian or Other Pacific Islander	1	0%
Multiracial or Multiethnic	10	2%
Middle Eastern or North African	2	0%
American Indian or Alaskan Native	9	2%
Asian	8	2%
Black or African	3	1%
Other	17	4%
Total	450	100%

**Question 4: What is the annual income range of your household?**

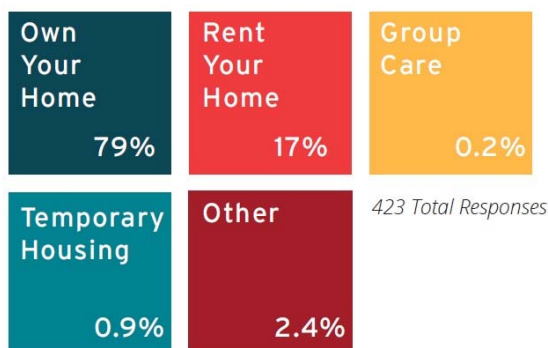
**Annual Household Income**



416 Total Responses

**Question 5: Do you currently:**

**Living Situation**



423 Total Responses

**Question 6: What type of building do you currently live in?**

Housing Type	Count	Percent
ADU/Tiny Home	2	0.5%
Apartment	22	5.2%
Attached house (duplex, triplex, townhouse)	27	6.4%
Condominium	1	0.2%
Group quarters	1	0.2%
I am currently unhoused	1	0.2%
Manufactured home	9	2.1%
Other	2	0.5%
Single family house detached	358	84.6%
Total	423	100.0%

**Question 7: Please Rank the Top Five Housing Issues in the Region**

**Top 5 Housing Issues**

**1 Housing Affordability**

**2 Housing Availability**

**3 Homelessness**

**4 Range of Housing Types**

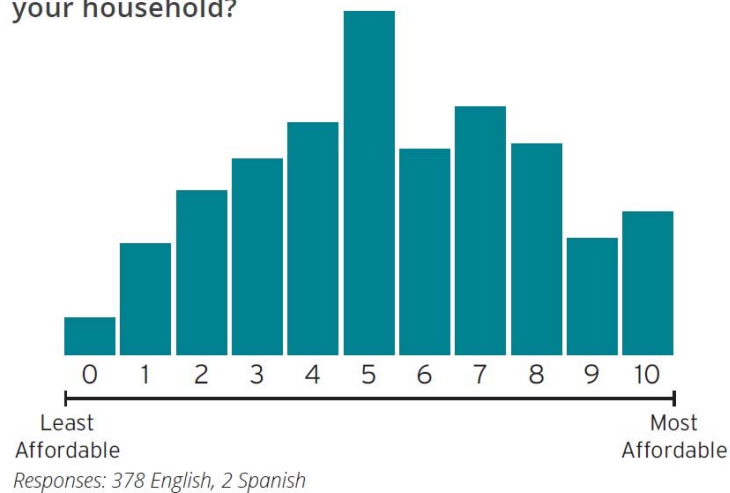
**5 Housing Quality**

Question 8: If you selected "Other in the question above, please describe the housing issue or issues below:



Question 9: How affordable do you thinking housing is for you and your household?

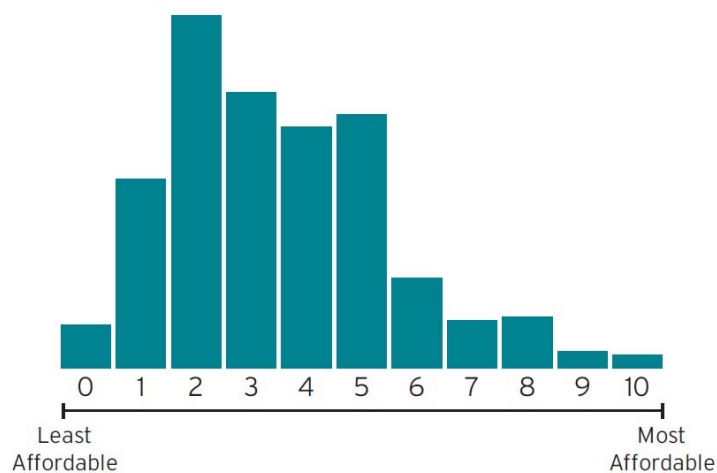
How affordable do you think housing is for you and your household?





### Question 10: How affordable do you think housing is for the larger community?

How affordable do you think housing is for the larger community?



Responses: 364 English, 2 Spanish

### Question 11: What are the top three barriers to affordable housing development in your community?

	Count	Percent
Regulations	112	10.4%
Construction Costs	246	22.7%
Lack of Incentives for Developers	151	14.0%
Cost of Infrastructure	200	18.5%
Cost of Land	257	23.8%
Other	116	10.7%
<b>Total</b>	<b>1,082</b>	<b>100.0%</b>

Other Responses:





Question 12: What are the top three barriers to home ownership in your community?

Barriers to Home Ownership	Count	Percent
Limited Housing Supply	249	21.9%
Availability of Living Wage Jobs	290	25.5%
Affordability of Available Homes	371	32.6%
Programs for Homeowners	124	10.9%
Lack of Resources/Education on Home Ownership	63	5.5%
Other	40	3.5%
Total	1,137	100.0%

Other Responses:



Question 13: What are the top three barriers to renting in your community?

	Count	Percent
Low Vacancy Rates	298	30.0%
Lack of Affordable Rentals	351	35.3%
Strict Rental Requirements	196	19.7%
Confusing Rental Application Process	48	4.8%
Other	101	10.2%
Total	994	100.0%

Other Responses:



**Question 14: Please identify up to three actions officials should consider in addressing the housing issues you noted above.**

Housing Actions	Count	Percent
Increase the supply of land for housing within the urban growth area	94	8.3%
Encourage construction of accessory dwellings by offering "how to" programs for local property owners	62	5.5%
Encourage local home ownership by providing a \$5,000 matching down payment for first time homebuyers	150	13.3%
Create low interest loan or grant matching programs for homeowners that invest over \$5,000 in qualifying improvements to their homes	124	11.0%
Provide tax incentives for developers that build apartments, townhomes, and plexes (eg. duplex)	52	4.6%
Provide new tax incentives for developers that build affordable housing specifically for low-income households (at/below 80% area median income)	155	13.7%
Change development standards (e.g. building height, minimum parking, setbacks)	27	2.4%
Create public-private partnerships to attract affordable housing development through a Community Housing Trust	190	16.8%
Change zoning requirements to make it easier to construct townhomes, plexes (eg. duplex), and cottage clusters in areas with low housing density	136	12.0%
Change zoning to create new opportunities for multifamily apartments	85	7.5%
Other	56	5.0%
<b>Total</b>	<b>1,131</b>	<b>100.0%</b>

## Other Responses



# APPENDIX C: HOUSING NEEDS

## ASSESSMENT MEMORANDUM

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**To:** Project Advisory Team: Elizabeth Chamberlain, City of Walla Walla; Jon Rickard, City of College Place; Meagan Bailey, City of Dayton; Randy Hinchliffe, City of Waitsburg; Nikki Sharp, Walla Walla County

**Date:** October 23, 2020 (Revised)

**From:** Todd Chase & Tim Wood, FCS GROUP

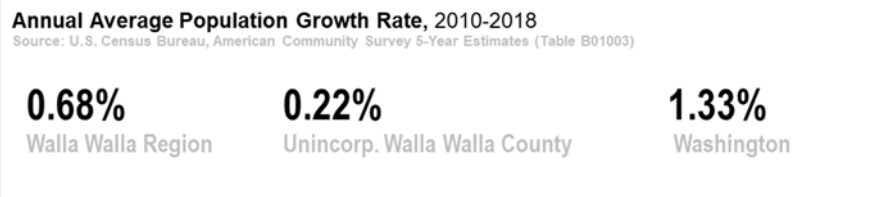
**CC:** Violet Brown & Scott Fregonese, Fregonese & Associates

**RE:** **Walla Walla Regional Housing Action Plan, Task 2: Housing Needs Assessment**

This memorandum describes the existing housing inventory, evaluates market trends and establishes a baseline housing needs forecast for the Walla Walla Region.

### Demographic Trends

**The Region is growing!** Population within the Walla Walla Region (includes the cities of Walla Walla, College Place, Dayton and Waitsburg) reached a record high of 47,695 year-round residents in 2019 (*according to the WA Office of Financial Management*). Population within the Walla Walla Region has been increasing at an annual average rate of 0.68% since 2010, which is three times faster than unincorporated Walla Walla County, but almost half the statewide average (**Figure 1**).





**Figure 1. Population Trends**

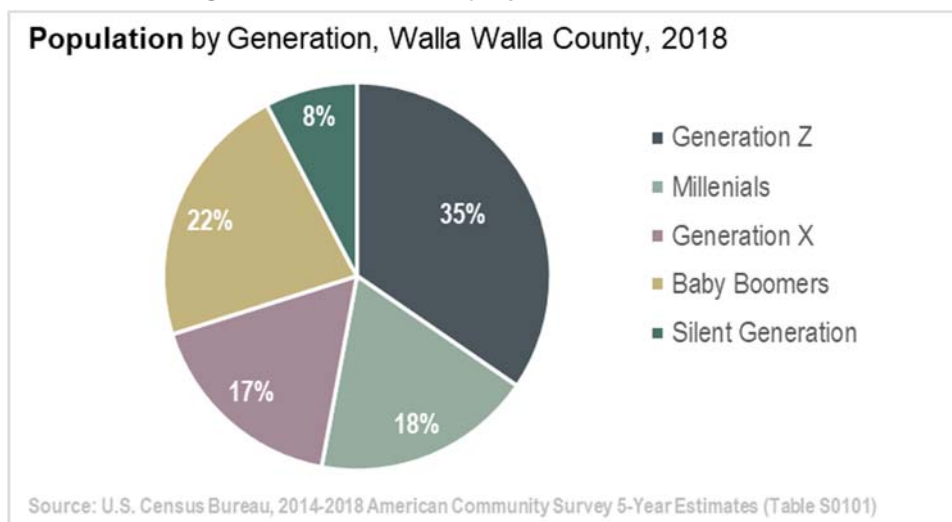
Population Trends		2010	2018	AGR
Washington		6,561,297	7,294,336	1.33%
Columbia County		3,957	4,001	0.14%
Dayton		2,463	2,682	1.07%
Walla Walla County		57,585	60,236	0.56%
College Place		8,502	9,136	0.90%
Waitsburg		1,194	1,188	-0.06%
Walla Walla		31,177	32,731	0.61%
Walla Walla Region		43,336	45,737	0.68%
Unincorp. Walla Walla County		14,249	14,499	0.22%

Source: U.S. Census Bureau, 2014-2018 American Community Survey 5-Year Estimates (Table B01003)

AGR: average annual growth rate.

The relationship between demographic changes, income levels and housing preferences can shed light on future housing needs for the Walla Walla Region. The primary demographic age cohorts are shown in **Figure 2** and described below.

**Figure 2. Population by Age Cohort Generation**



Overall, the Region has a relatively younger (Generation Z) and older (Silent Generation) share of population than the statewide average, and a lower share of Millennials, Generation X and Baby Boomers.

#### Silent Generation (those born before 1925 to 1945)

This includes retirees over age 75, who were raised during the Great Depression or World War II. This cohort currently accounted for 8% of the Region's population in 2018 and is projected to be one of the fastest growing segment over the next 20 years. As people reach their 80s, a large share desire to move into assisted living or senior housing facilities with nearby health care and transit access.

### **Baby Boom Generation (born 1946 to 1964)**

Baby boomers (currently age 56 to 75) accounted for 22% of the Region's residents. The boomer segment has been growing more rapidly than the other cohorts over the past 10 years and many are now entering their retirement years. Boomers prefer to "age in place" until after age 80, then may downsize or move in with family members (sometimes opting to reside in accessory dwellings).

### **Generation X (born 1965 to 1980)**

Gen X is the demographic cohort following the baby boomers and preceding the Millennials. This cohort (currently includes people between age 40 to 55) accounts for 17% of the Region's residents and is expected to overtake the baby boom cohort in numbers within the next decade. GenX households often include families with children, and many prefer to live in single family detached dwellings.

### **Millennials (born 1980 to early 2000s)**

Millennials (currently in their twenties or thirties) account for 18% of the Region's residents and is expected to increase moderately in the near future. Younger millennials tend to rent as they establish their careers and/or payback student loans. However, working millennials in their thirties often become first-time homebuyers, opting to purchase smaller single family detached homes or townhomes.

### **Generation Z (born mid-2000s or later)**

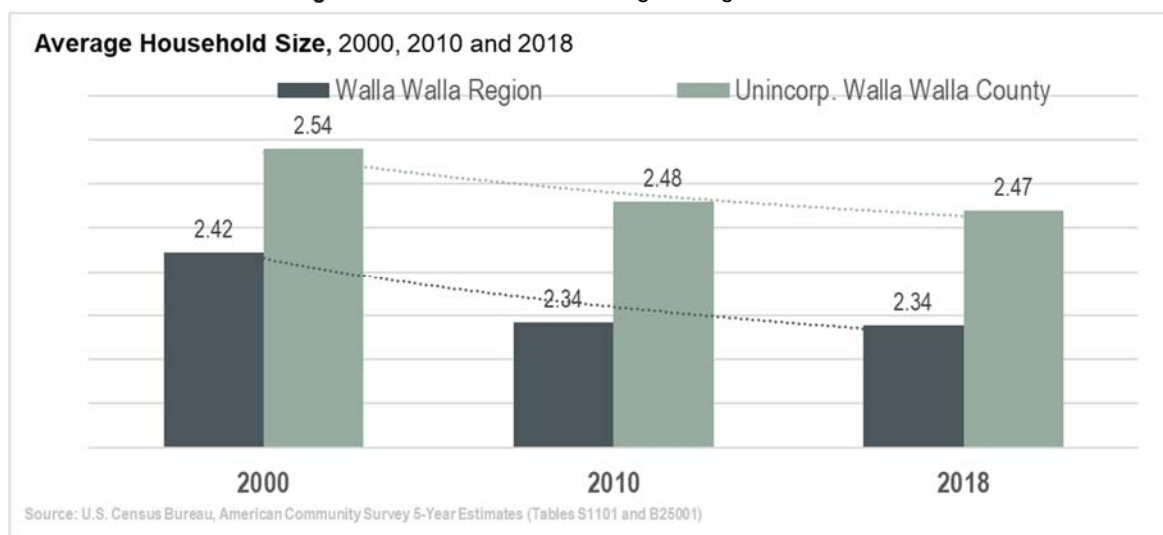
GenZ includes residents under age 20. This is the Region's largest demographic segment with 35% of the overall population. It includes people studying at Whitman and other higher education institutions and those living with GenXers and Baby Boomers. This segment has been increasing in over the past several years, but growth will likely slow down as people delay starting families and now tend to have fewer children than past generations.

### **Hispanic and other ethnic groups**

The largest ethnic group in the Region includes the Hispanic/Latino segment, which is spread among all demographic cohorts. Hispanic/Latino population accounts for 21% of all residents within the Region compared with 12% statewide. While overall growth in this group may slow in comparison to the past, it is still projected to be the fastest growing racial/ethnic group over the next few decades.

These trends reflect a need for a mix of housing types to support demand from young families as well as aging seniors. Consistent with national trends, the average household size is also falling, as people delay starting families, families have fewer children, and seniors reach their lifespans (**Figure 3**).

**Figure 3.** Trends in Declining Average Household Size



## Employment Trends

Long-term employment growth is also positive within the Walla Walla Region. As indicated in **Figure 4**, the region added 725 net new jobs between 2002 and 2017. Most new Regional job growth has occurred within the health care and social assistance sector (929 jobs added) followed by the service and education sectors (595 jobs added). The largest declines in employment occurred within the industrial and construction sectors (384 jobs lost) and the transportation, communications and utilities sectors (373 jobs lost).

**Figure 4.** Employment Trends

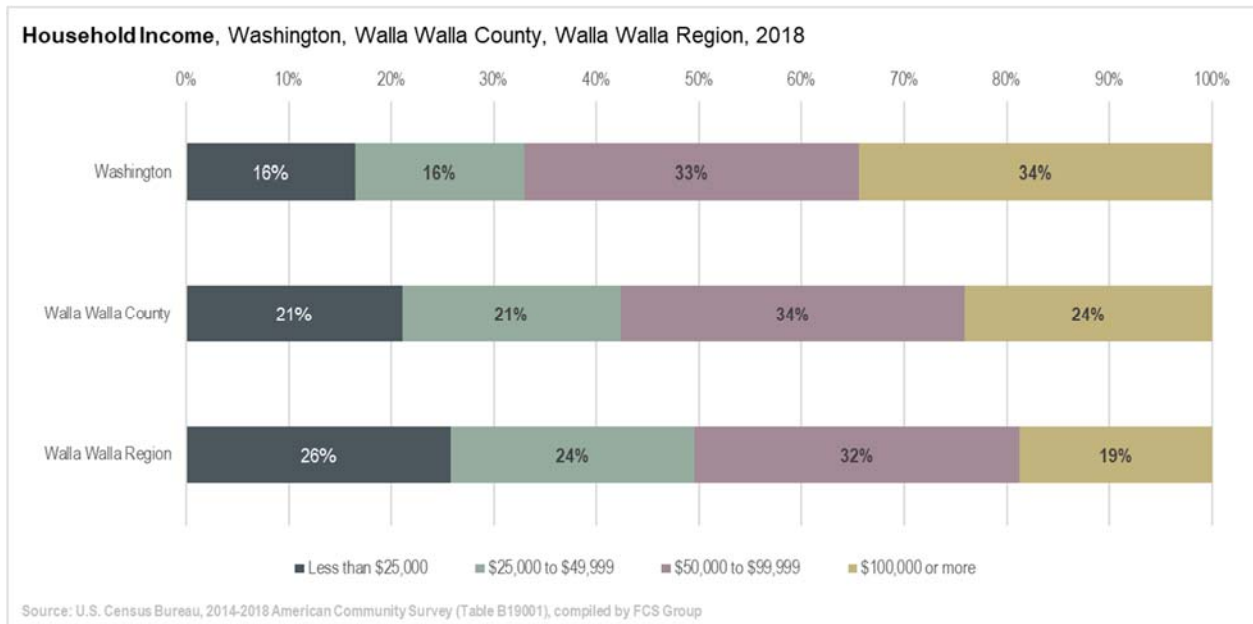
Walla Walla Region Employment Trends (at place of work employment)

Segment	2002 - 2017 Job Growth	2002	2010	2017	Change
Agriculture, Forestry, Fishing and Hunting		230	184	150	(80)
Transportation, Communications & Utilities		700	509	427	(273)
Industrial Trades & Construction		1,978	1,642	1,594	(384)
Retail Trade		2,392	2,911	2,337	(55)
Other Services, Restaurants & Lodging		3,673	4,129	4,022	349
Educational Services		1,042	1,033	1,288	246
Health Care and Social Assistance		3,083	3,396	4,012	929
Public Administration		183	173	176	(7)
<b>Total</b>		<b>13,281</b>	<b>13,977</b>	<b>14,006</b>	<b>725</b>

Source: US Census Bureau, On the Map.com. Region includes four cities: Walla Walla, College Place, Waitsburg and Dayton.

If the Region continues to shift away from higher paying industrial jobs to lower paying service jobs, income levels will remain well below statewide averages. Currently, the median income for Walla Walla County was \$56,533 in 2018, which compares to \$70,116 for Washington state. As shown in **Figure 5**, during 2018, half of all workers within the Region received under \$50,000 per year.

**Figure 5. Household Income**

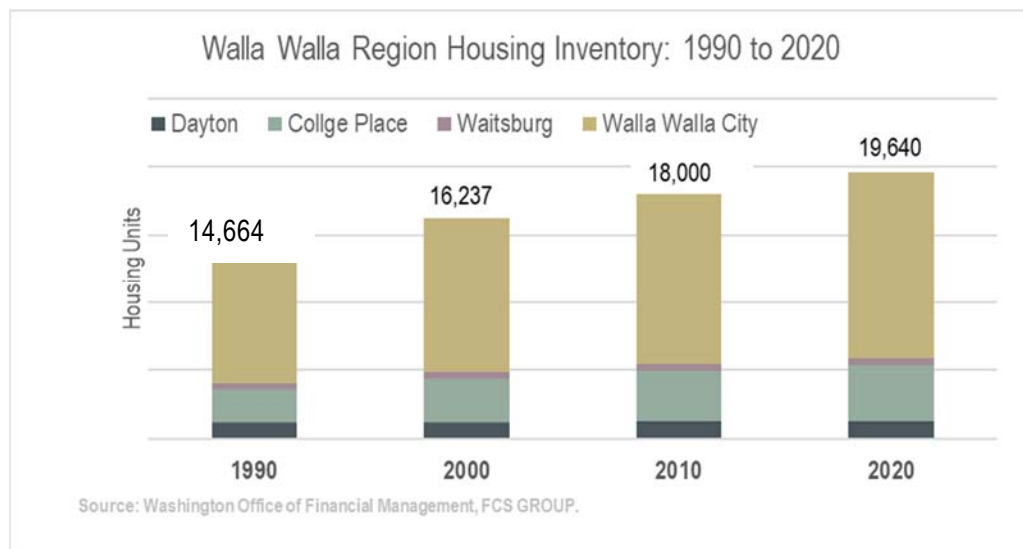


## Housing Inventory

As of 2020 Q1, the four-city Region had a total housing inventory of 19,640 dwelling units. In comparison, there were 25,205 dwelling units in Walla Walla County and 2,219 units in Columbia County (**Figure 6**).

The Region's housing inventory is primarily comprised of single family detached homes (65%). Townhomes, duplexes and multifamily structures make up 29% of the inventory, followed by mobile homes with 6% of the inventory.

**Figure 6.**



In order to address gaps in the current housing inventory, and meet future demand for attainable housing prices, the Walla Walla Region's housing inventory will need to accommodate a wide variety of housing types. The current mix of housing types is depicted in **Figure 7**.



**Figure 7.** Current Housing Mix by Location, 2018

Housing Types	Walla Walla County	College Place	Dayton	Waitsburg	Walla Walla City	Walla Walla Region
Single Family Detached	70%	59%	81%	66%	65%	65%
Townhouses / Plexes	11%	26%	11%	4%	11%	14%
Multi-family (5+)	12%	7%	5%	0%	19%	15%
Mobile homes/other	7%	9%	2%	30%	5%	6%
Total	100%	100%	100%	100%	100%	100%

Source: U.S. Census Bureau, 2014-2018 American Community Survey 5-Year Estimates (Table B25024)

Housing growth in the Walla Walla Region has been driven by a combination of in-migration, natural increases in population, university student housing, second home investors and seasonal rentals. Between 2000 and 2018, the Region added 2,246 households and the average household size fell from 2.42 to 2.34 people per household (**Figure 8**).

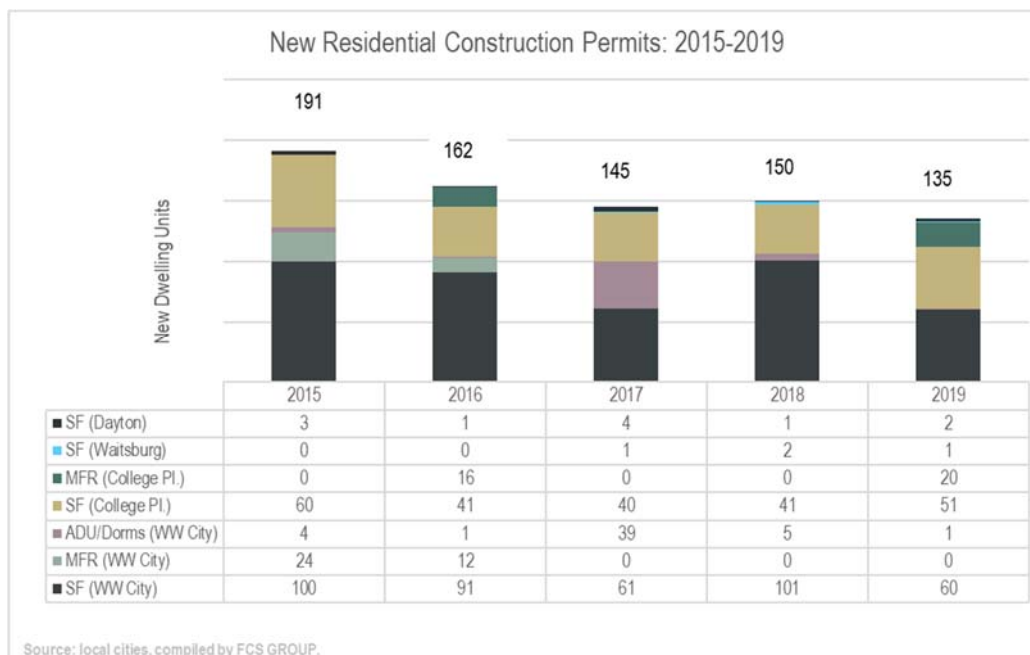
**Figure 8.** Trends in Household Formations and Occupied Housing Units, Walla Walla Region

	2000	2010	2018	Change: 2000-18	Annual Change
Households	15,076	16,528	17,322	2,246	125
Average household size	2.42	2.34	2.34		
Occupied Dwelling Units	16,237	18,032	19,092	2,855	159

Source: U.S. Census Bureau, 2000 Census (Tables P015, P017, H001), American Community Survey 5-Year Estimates (Tables S1101 and B25001)

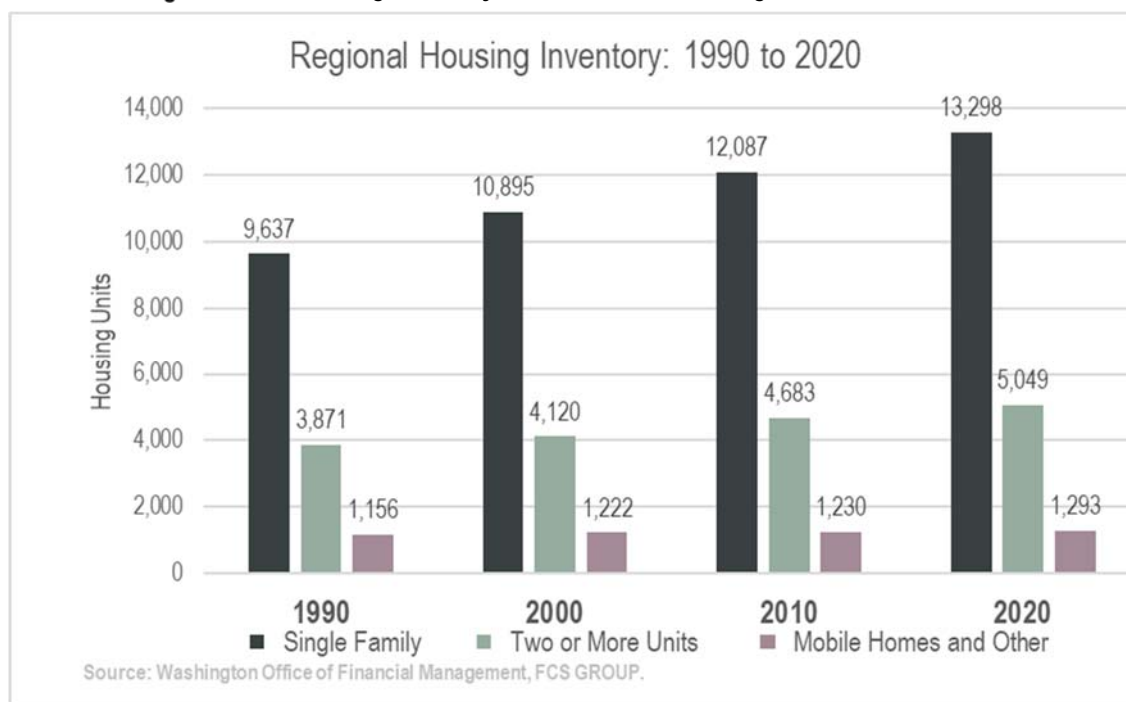
In recent years, housing production has not kept pace with housing demand. As shown in **Figure 9**, new residential construction within the Region declined from 191 permits issued in 2015 to 135 permits in 2019.

**Figure 9.** New Residential Construction Permits, Walla Walla Region, 2015 to 2019



Housing inventory data provided by the Washington Office of Financial Management indicates that there have been net increases in all housing types within the Region over the past two decades (**Figure 10**).

**Figure 10.** Housing Inventory Trends, Walla Walla Region, 1990 to 2020



Unfortunately, not all new construction has occurred without displacement of some existing housing. As indicated in **Figure 11**, the Region recorded a net increase of 1,159 single family detached homes and 62 townhomes/plexes, between 2010 and 2018, but displaced at least 80 multifamily units and 81 mobile homes during that time.

**Figure 11.** Net Change in Housing, Walla Walla Region, 2010 to 2018

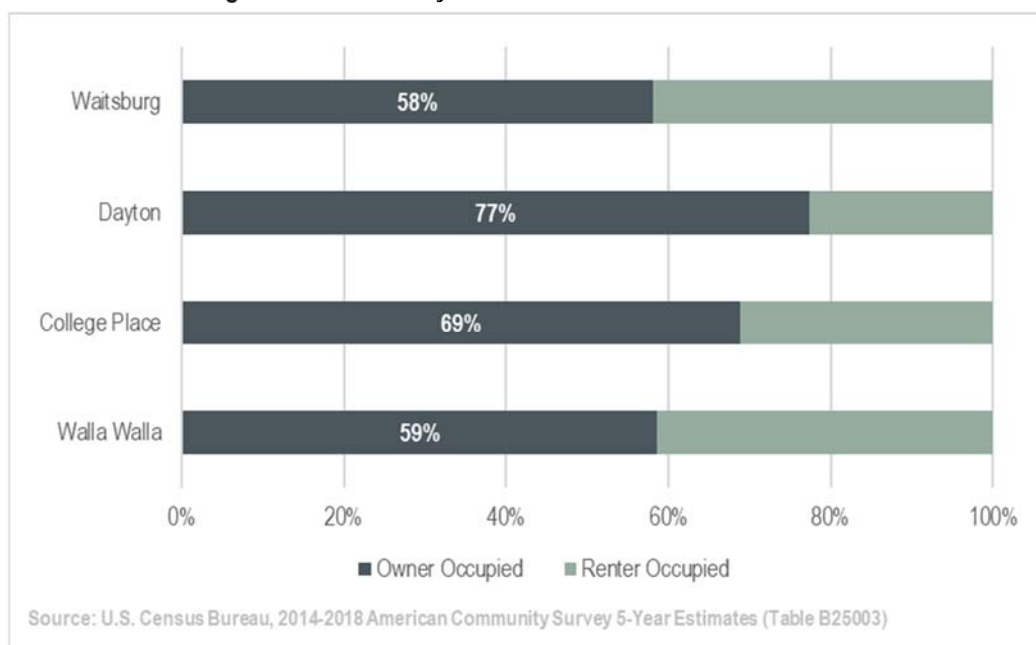
Housing Type	2010 Est. (2006-2010 ACS)	2018 Est. (2014-2018 ACS)	Change
Single Family Detached	11,235	12,394	1,159
Townhouses / Plexes	2,631	2,693	62
Multi-family (5+)	2,936	2,856	(80)
Mobile homes/other	1,230	1,149	(81)
<b>Total</b>	<b>18,032</b>	<b>19,092</b>	<b>1,060</b>

Source: U.S. Census Bureau, American Community Survey 5-Year Estimates (Table B25024).

## Tenancy and Vacancy Levels

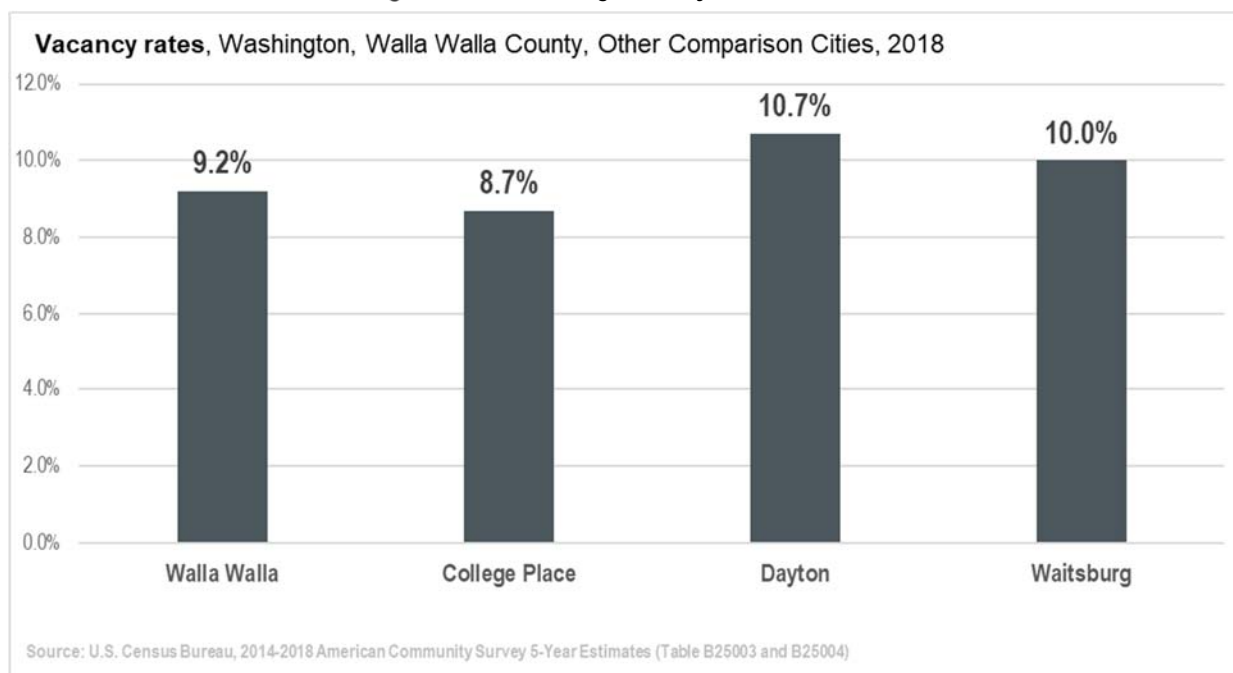
The Region's tightening housing supply is impacting homeowners and renters. Overall tenancy within the Region is comprised of 60% owners and 40% renters. As shown in **Figure 12**, the rate of homeownership varies significantly among the region's four cities.

**Figure 12.** Tenancy Characteristics, ACS 2014-2018



Housing vacancy rates were mostly around 10% in 2018 within the cities of College Place, Dayton, Waitsburg and Walla Walla, and are reported to be lower today (**Figure 13**). Within the Region, the highest vacant rates are in Dayton, which has a vacancy rate of 10.7%.

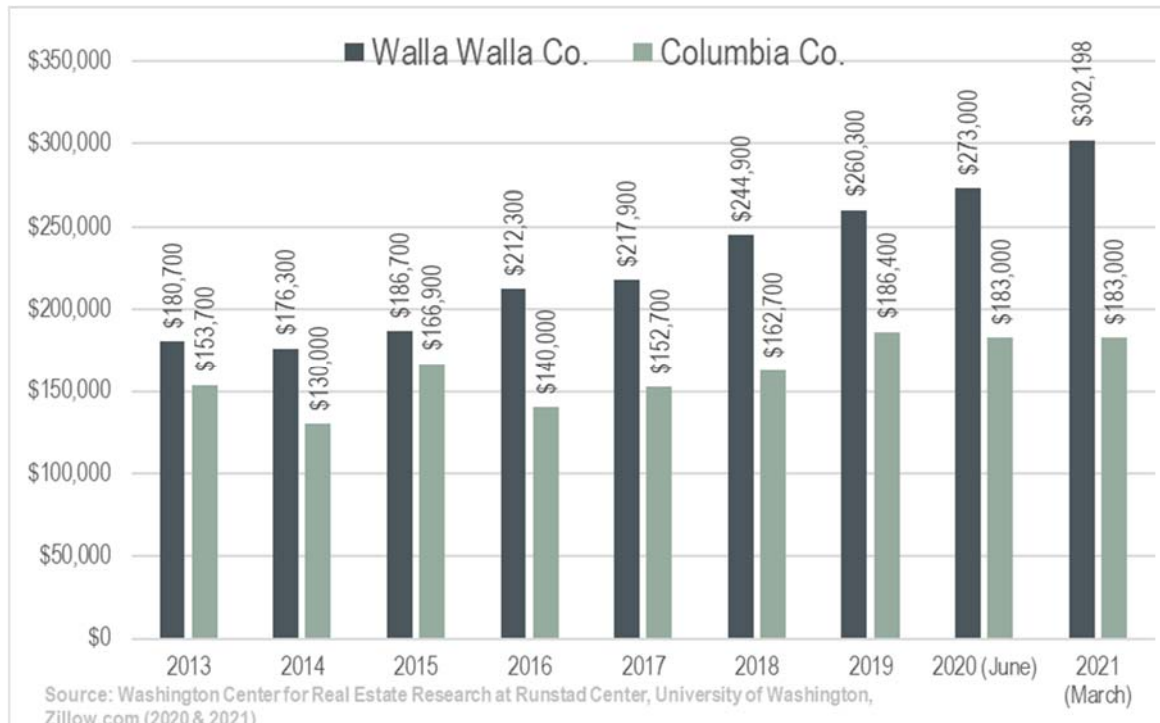
**Figure 13.** Housing Vacancy Rates, 2018



## Home Prices and Rents

As vacancy rates decline, home prices and rent levels are increasing. Median home prices have increased steadily over the past several years within the Region to record levels (**Figures 14 and 15**).

**Figure 14.** Median Home Prices



**Figure 15.** Median Home Prices

	3/1/2020	3/1/2021	Change from prior year %
Washington	\$429,000	\$488,000	13.8%
Columbia County	\$182,000	\$183,000	0.5%
Dayton	\$172,000	\$171,000	-0.6%
Walla Walla County	\$283,000	\$302,000	6.7%
College Place	\$289,000	\$309,000	6.9%
Waitsburg	\$235,000	\$250,000	6.4%
Walla Walla City	\$283,000	\$301,000	6.4%

**Source:** Zillow, (6/1/2020), Compiled by FCS GROUP.

\* Assumes 30-year mortgage, 3.6% interest, 1.89% property tax & insurance; 5% downpayment.

\*\* Assumes 30% of household income dedicated to payments.

Monthly rents have also increased to record levels. As shown in **Figure 16**, the median rent within the Region is currently \$1,486, and the price difference between the top quality and lowest quality rental housing units has narrowed considerably.

**Figure 16.** Median Housing Rent, Walla Walla Region, 2011 to 2020



By comparison, the current U.S. Housing and Urban Development (HUD) Fair Market Rents in Walla Walla County range from \$680 for an efficiency to \$1,509 for a four-bedroom unit, as shown below. According to input received from stakeholders, there are very few (if any) non-government subsidized properties that would meet HUD fair market rents in the Walla Walla Region.

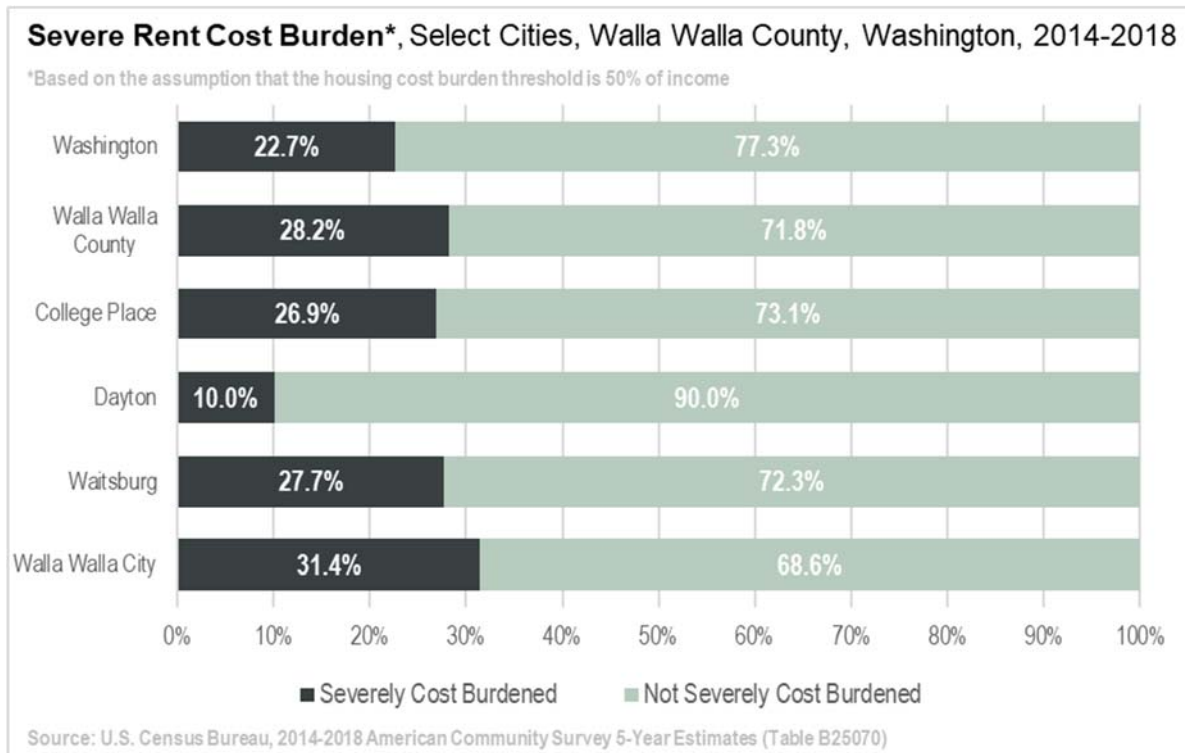
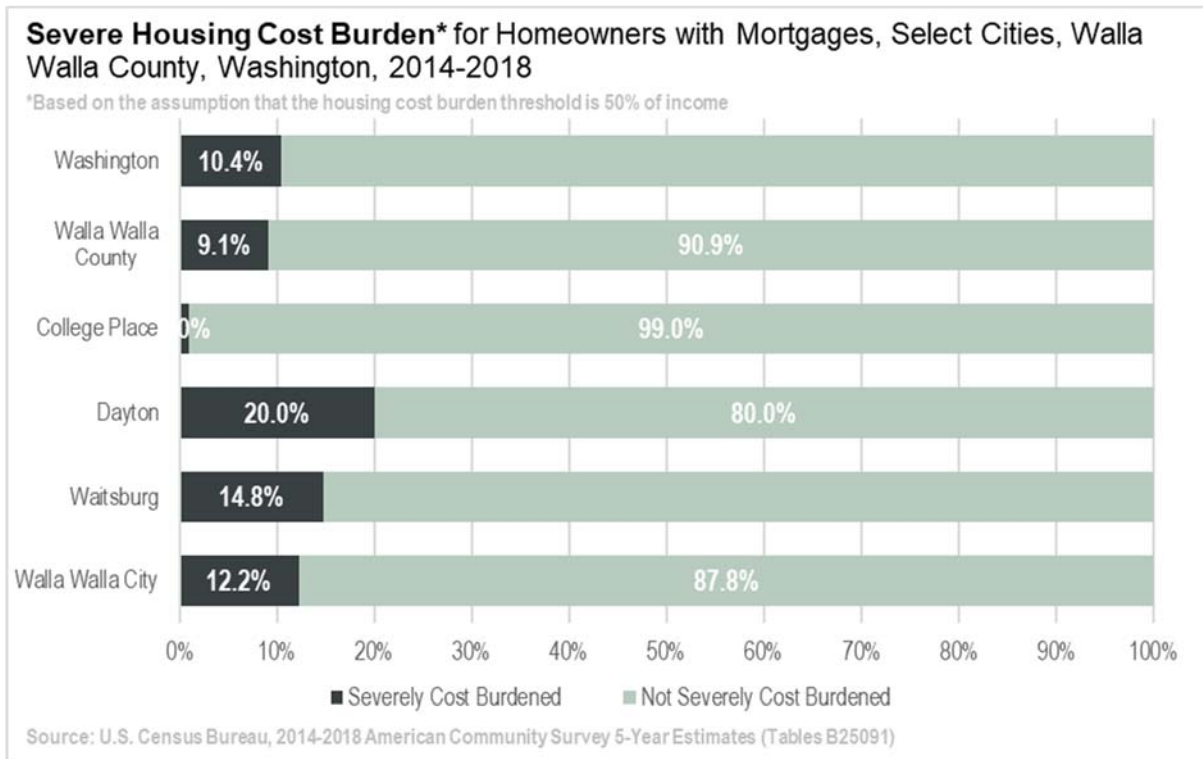
HUD Fair Market Rent (FMR) by Unit Type, Walla Walla County, 2020				
Source: U.S. Department of Housing and Urban Development				
<b>\$680</b>	<b>\$792</b>	<b>\$1,043</b>	<b>\$1,505</b>	<b>\$1,509</b>
Efficiency	1-Bedroom	2-Bedroom	3-Bedroom	4-Bedroom

## Housing Attainability

According to the U.S. Housing and Urban Development (HUD), households are considered “cost burdened” if they pay over 30% of their gross income on housing and utilities. Households are “severely cost burdened” if they pay over 50% of their gross income on housing and utilities.

As of 2018, approximately 9% of homeowners and 28% of the renters in Walla Walla County were severely cost burdened by housing expenses alone (**Figure 17**). If housing costs continue to rise faster than incomes, the share of severely cost burdened households will continue to increase.

**Figure 17. Severe Housing Cost Burden by Locality**



To help gauge housing attainability, FCS GROUP examined median household income (MHI) data for selected cities within Walla Walla and Columbia counties. Median household income in Walla Walla County (\$56,533) is currently well below the Washington average (\$70,116). However,

income levels for households in Walla Walla County have been increasing slightly faster than the state average (**Figure 18**).

**Figure 18.** Median Income Trends, 2010-2018

	2010	2018	AGR
Washington	\$57,244	\$70,116	2.6%
Walla Walla County	\$45,575	\$56,533	2.7%
College Place	\$40,137	\$47,525	2.1%
Dayton	\$39,861	\$44,524	1.4%
Waitsburg	\$45,568	\$48,403	0.8%
Walla Walla	\$39,397	\$48,678	2.7%

Source: U.S. Census Bureau, 2014-2018 American Community Survey 5-Year Estimates (Table B25119)

AGR: average annual growth rate.

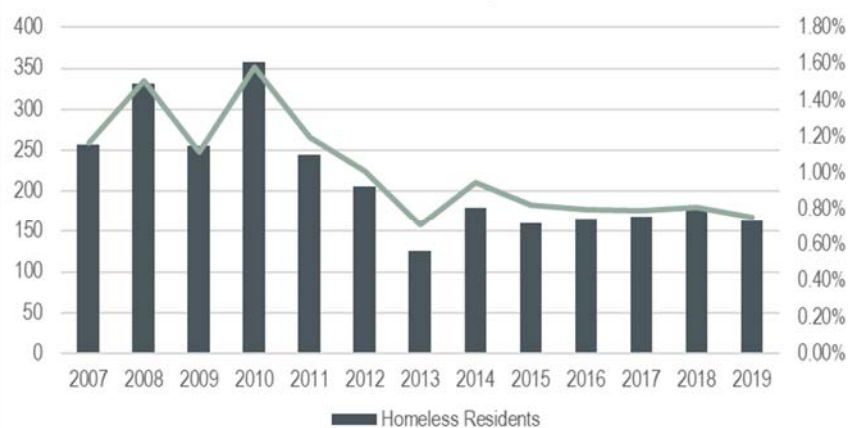
To meet HUD guidelines for housing affordability, no more than 30% of income should be allocated to housing. Hence, middle-income families earning 80% to 120% of the median household income (MHI) should be able to afford monthly rents at \$1,131 to \$1,696; or homes priced between \$194,000 and \$291,000. If middle-income households pay more than this, they would be “cost burdened” to some degree. As indicated in **Exhibit 19**, using current statistics, affordable monthly housing cost for low-income families is as follows:

- Low Income, \$707 to \$1,131
- Very Low Income, \$424 to \$707
- Extremely Low Income, \$424 or less

#### Point in Time Homeless Residents

The homeless population in Walla Walla County has fluctuated between 126 and 358 over the past decade. In 2019, Walla Walla County’s homeless population included an estimated 163 people or about 0.75% of the statewide homeless count, which is less than the county’s 0.82% overall share of statewide population. Stakeholder input indicates that the number of homeless residents appears to have increased since the global Covid-19 pandemic began in 2020.

**Homeless Residents, Walla Walla County, 2007-2019**



Source: Washington State Department of Commerce Annual Point in Time Count



**Figure 19. Analysis of Attainable Housing Prices/Rents**

**Housing Attainability Analysis**

<b>Walla Walla County Median Household Income (2018)*</b>		<b>\$56,533</b>
<b>Market Segment by Income Level</b>		<b>Lower-end Upper-End</b>
Upper (120% or more of MHI)		120%
Middle (80% to 120% of MHI)	80%	120%
Low (50% to 80% of MHI)	50%	80%
Very Low (30% to 50% of MHI)	30%	50%
Extremely Low (less than 30% of MHI)	30%	
<b>Qualifying Income Level</b>		<b>Lower-range Upper-range</b>
Upper (120% or more of MHI)	\$67,840	or more
Middle (80% to 120% of MHI)	\$45,226	\$67,840
Low (50% to 80% of MHI)	\$28,267	\$45,226
Very Low (30% to 50% of MHI)	\$16,960	\$28,267
Extremely Low (less than 30% of MHI)		\$16,960
<b>Attainable Monthly Rent or Payment (@30% of income level)</b>		<b>Lower-range Upper-range</b>
Upper (120% or more of MHI)	\$1,696	or more
Middle (80% to 120% of MHI)	\$1,131	\$1,696
Low (50% to 80% of MHI)	\$707	\$1,131
Very Low (30% to 50% of MHI)	\$424	\$707
Extremely Low (less than 30% of MHI)		\$397
<b>Approximate Attainable Home Price**</b>		<b>Lower-range Upper-range</b>
Upper (120% or more of MHI)	\$291,000	or more
Middle (80% to 120% of MHI)	\$194,000	\$291,000
Low (50% to 80% of MHI)	\$116,000	\$185,000
Very Low (30% to 50% of MHI)	\$69,000	\$116,000
Extremely Low (less than 30% of MHI)	n/a	n/a

Notes:

\* based on current U.S. Census estimates of household income for Walla Walla County.

\*\* assumes 5% down (zero down payment for low income purchasers) on 30-yr mortgage @ 3.6% interest; and 1.89% for taxes and insurance.

Source: analysis by FCS GROUP using U.S. Census, American Community Survey data.

## Measures of Economic Hardship

Like many rural communities across the U.S., an increasing share of Walla Walla Region's households are experiencing economic hardship as the cost of living rises faster than income levels.

Since the War on Poverty began in 1965, the Federal Poverty Level (FPL) has provided a standard for determining the proportion of people living in poverty in the U.S. Despite the FPL's benefit of providing a nationally recognized income threshold for determining who is poor, its shortcomings include the fact that the FPL is not based on the current cost of basic household necessities, and except for Alaska and Hawaii, it is not adjusted to reflect cost of living differences across the U.S. In fact, federal poverty statistics indicate that the number of Walla Walla County households living in poverty decreased by 54 between 2010 and 2018.

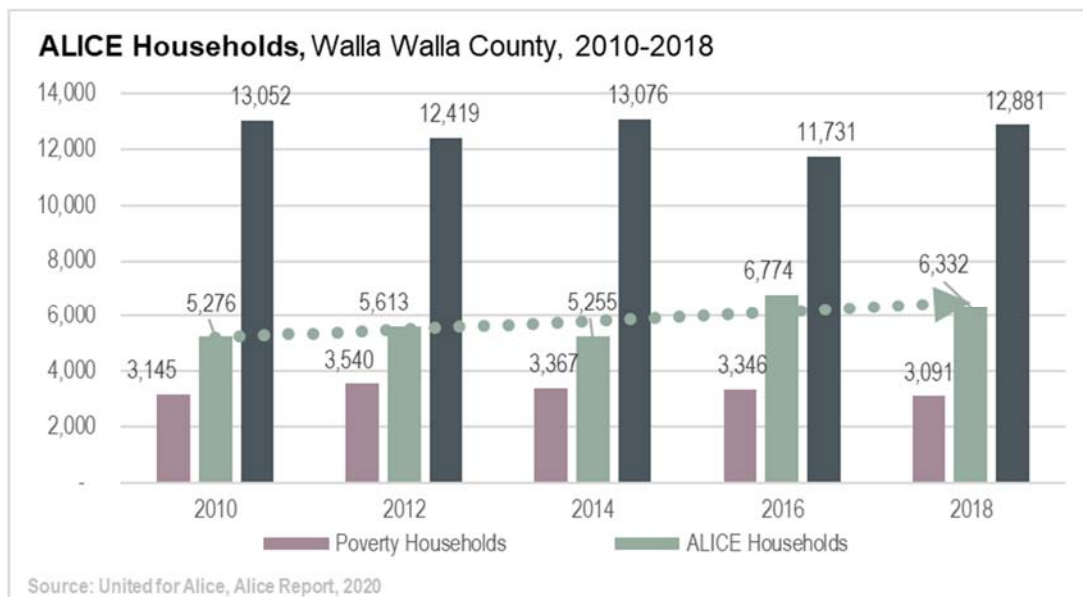
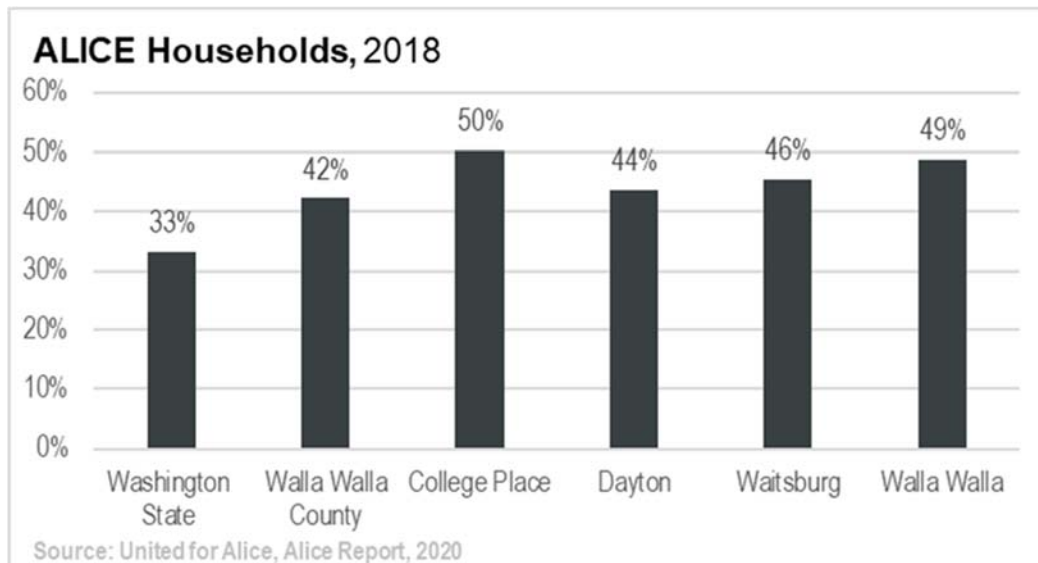
In recognition of the shortcomings associated with federal poverty statistics, the United Way now provides a new measure of economically distressed households struggling in each county in a state. This



effort provides a framework, to measure households that do not earn enough to afford basic necessities, with a population segment called ALICE (Asset Limited, Income Constrained, Employed). The ALICE methodology takes into account the total cost of household essentials – housing, child care, food, transportation, technology, and health care, plus taxes and a 10 percent contingency. ALICE data are calculated separately for each county, and for six different household types. For more information please check out: <https://www.unitedforalice.org/methodology>

In 2018, 42% of the households in Walla Walla County were either in poverty or in the ALICE category, which is well above the Washington statewide average of 33%. Within the Walla Walla Region, the share of households in poverty and ALICE categories ranged from 44% in Dayton to 50% in College Place (Figure 20).

**Figure 20.** ALICE Household as Share of Total Households

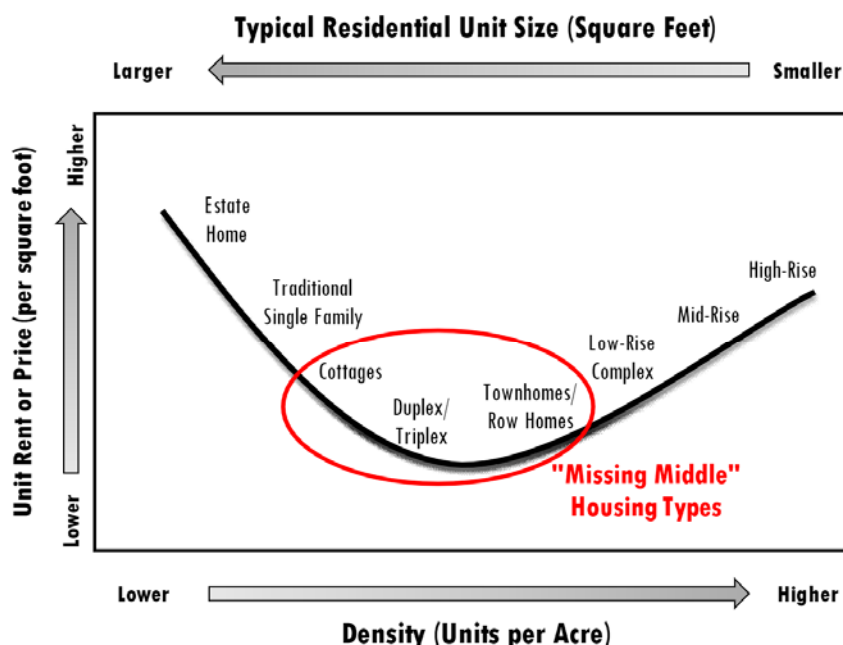


## Housing Supply Gaps

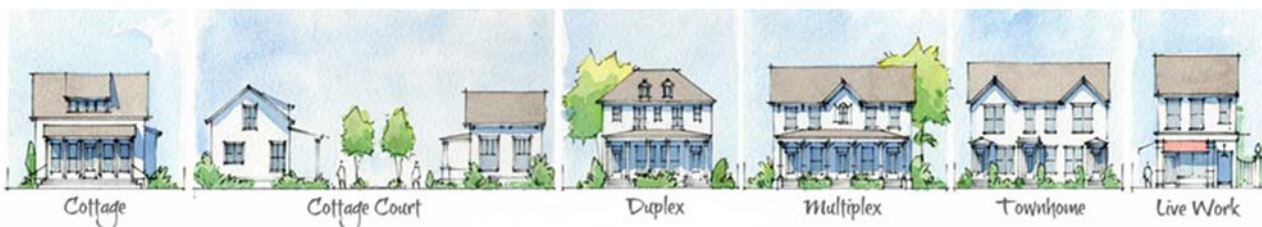
Representatives from public agencies have expressed concern over the lack of attainable and good quality housing for middle income families and local workers. To find attainable housing, some workers must travel long distances between their homes and their jobs to find attainable housing.

Given the need for workforce housing, the Region would benefit from development of “middle income” housing types, such as apartments, duplexes, townhomes, cottages, manufactured homes and accessory dwelling units (ADUs). These housing types can be delivered at a lower cost and rent level per square foot than standard single family detached and mid-rise housing types (**Figure 21**).

**Figure 21. Middle Housing Types**



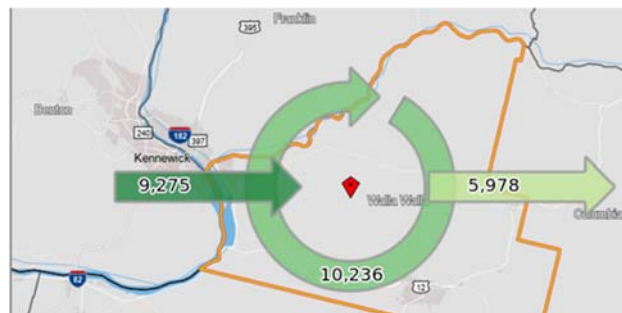
Source: Washington Department of Commerce Housing Memorandum (PNW Economics and LDC)



## Transportation Considerations

Long commutes into the Walla Walla Region may represent potential pent-up demand for new housing. According to U.S. Census On-the-Map data, in 2017 there were 9,275 workers who commuted to work in Walla Walla County and 5,978 county residents who commuted to work outside the County (**Figure 22**). **One in five workers in the County commute over 100 miles per day; which is 55% higher than the statewide average.**

**Figure 22.** Commute Patterns, Walla Walla County, 2017



## Affordability and Current Market Gaps

Low vacancy rates and rising home prices have resulted in market gaps that could be filled only by new housing construction. The regional *Affordability Housing Community Council Report*, Summer 2019, found that median income levels in the City of Walla Walla and College Place would need to increase by at least \$5,400 to enable families to purchase a home at 2018 prices. This affordability gap has increased since.

The Region's rental housing gap is most prevalent at the highest and lowest income levels. In other words, there is currently an inadequate supply of quality market rate apartments (at \$1,131/month or higher) or for-sale housing (at \$279,000+). This is partially the reason why 400 middle and upper income households currently live in lower-quality *middle-income* rental housing. And the lack of affordable housing (at \$707/month or lower) has resulted in 791 households living in higher-cost housing which leads to severe rent burdens. This analysis assumes that 33% of the current housing gap can be addressed by new policies that help stimulate near-term housing construction with 239 market rate units and 261 affordable units (**Figure 23**).

**Figure 23.** Rental Housing Market Gaps, Walla Walla Region, 2017

Median Household Income Range	Lower-end	Upper-End	Renter Households Counted	Affordable Monthly Rent Costs *	Level of subsidy required	Estimated Rental Units Counted	Year 2017 Housing (Gap) or Surplus
Upper (120% or more of MFI)	\$67,840 or more		1,304	\$1,696 & Above	Zero	580	(400)
Middle (80% to 120% of MFI)	\$45,226	\$67,840	1,173	\$1,131-\$1,686	Zero	1,497	
Low (50% to 80% of MFI)	\$28,267	\$45,226	1,518	\$707-\$1,131	Low	2,709	1,191
Very Low (30% to 50% of MFI)	\$16,960	\$28,267	1,177	\$424-\$707	Medium	1,541	(791)
Extremely Low (less than 30% of MFI)	\$16,960 or less		1,830	Less than \$424	High	674	
<b>Total</b>			<b>7,001</b>			<b>7,001</b>	

Source: US Census Bureau 2013-2017 ACS, analysis by FCS GROUP.

\* Calculated at 30% of Walla Walla County median family income based on HUD guidelines

### Analysis of Pent-Up Rental Housing Demand, Walla Walla Region

Median Household Income Range	Renter Households in 2017	Rental Units in 2017	Housing (Gap)	Potential Capture Rate	Pent-up Housing Demand Capture
Upper (120% or more of MFI)	1,304	580	(724)	33%	239
Middle (80% to 120% of MFI)	1,173	1,497	324		
Low (50% to 80% of MFI)	1,518	2,709	1,191		
Very Low (Less than 50% of MFI)	3,006	2,215	(791)	33%	261

Source: US Census Bureau 2013-2017 ACS, analysis by FCS GROUP.

## Regional Housing Needs Forecast

The Regional housing needs forecast takes into account the potential to capture a share of the current market gap for rental housing along with the projected population growth based on the adopted comprehensive plans for Walla Walla County and the cities of College Place, Walla Walla, Dayton and Waitsburg.

These plans anticipate a population increase of approximately 9,668 year-round residents by 2040 within Walla Walla County. According to the Walla Walla County Comprehensive Plan, the unincorporated areas of the county are projected to add 2,802 people. Since that forecast also reflects unincorporated portions of UGAs for the cities, we expect the majority of new population growth to occur within future annexation areas of local cities.

This analysis assumes that 70% of the housing growth and 90% of the group quarters population growth within unincorporated Walla Walla County will occur within the UGAs of Walla Walla, College Place, Waitsburg and Dayton. As indicated in **Figure 24**, this allocation of county growth equates to approximately 107 group quarters residents and 657 dwelling units.

**Figure 24.** Projected Regional Housing Capture of Unincorp. Walla Walla County, 2020 to 2040

	Walla Walla County	Unicorp. Walla Walla County**	Regional Housing Capture of Unincorp. County %	Regional Housing Capture of Unincorp. County
Net New Population	9,668	2,802		
New Pop in Group Quarters*	773	119	90%	107
Population in Households	8,894	2,683		
Housing Need for Permanent Residents (dwellings)	3,601	865		
Seasonal & Vacancy Allowance (@9.4 %)	358	74		
Growth-related Housing Demand (dwelling units)	3,959	939	70%	657

Source: FCS GROUP based on local pop. growth forecasts and current ACS data for local areas. \*Group quarters reflects people in dormitories, group homes, institutions, etc. \*\* Includes unincorporated areas within urban growth areas of local cities.

To address changing demographic and householder preferences, the baseline housing demand forecast also takes into account the following assumptions:

- Future population growth forecasts for each city within the Walla Walla Region will be consistent with adopted local comprehensive land use plan forecasts (extrapolated).
- The tenancy mix and rate of homeownership will increase slightly overtime to the Washington statewide average (63% owners and 37% renters). Note, this results in a modest increase in homeownership rates within the Region from 60% currently to 63% by year 2040.
- Housing needs reflect more attainably priced housing types consistent with attainability levels with 30% of income allocated to rent or mortgage (principal and interest).
- The housing needs forecast assumes a moderate demand shift to middle income housing types, including townhomes, plexes, apartments, ADUs and manufactured housing.

To address future housing growth, the Walla Walla Region should plan to add approximately 4,685 net new housing units over the next 20 years. Future housing demand is likely to include 1,523 standard lot single family detached homes; 1,104 small lot detached homes; 732 townhomes/plexes; 894 multi-family

units (includes some group quarters demand) and 443 government-assisted housing units, manufactured homes and/or ADUs (**Figure 25**).

**Figure 25.** Walla Walla Region Housing Needs Forecast, 2020 to 2040

	Walla Walla City	College Place	Waitsburg	Dayton	Region Total
Projected Baseline Housing Demand	2,362	494	153	11 +	3,021
Plus Share of Housing Within Unincorp. UGAs	514	107	33	2 +	657
Plus Demand to Address 33% of Housing Gap	414	87			500
Total Housing Need	3,290	688	187	13 +	4,178
Plus Group Quarters Housing Units (@1.5 people per unit)	420	88			762
Grand Total (units)	3,710	776	187	13 +	4,685
percent of total	79%	17%	4%	0.3%	100%

Source: FCS GROUP based on local pop. growth forecasts and current ACS data for local areas. \*Group quarters reflects people in dormitories, group homes, institutions, etc.

Projected Housing Need by Housing Type

Projected 2040 Housing Needs						Remainder of
Housing Type	Walla Walla UGA	College Place UGA	Waitsburg UGA	Dayton UGA	Walla Walla Region	Walla Walla County
Single-Family Detached						
Standard Lots	1,142	261	112	9 +	1,523	225
Small Lots, cottages, mfg. homes (lots)	899	205	-	-	1,104	-
Townhouses / Plexes (units)	556	155	19	1 +	732	-
Multi-family units (5+ units per structure)	816	78 +	-	-	894	-
Mobile homes/ADUs/other (units)	297 +	78 +	56 +	3 +	433	56 +
Total Dwelling Units	3,710	776	187	13 +	4,685	282

Projected Housing Need by Income Level

Family Income Level	Owner-Occupied	Renter-Occupied	Total	Dist. %	Attainable Housing Products
Upper (120% or more of MI)	2,361	260	2,621	56.0%	Single Family Lots
Upper Middle (80% to 120% of MI)	384	347	730	15.6%	Cottage Homes, Townhomes, Apartments
Lower Middle (50% to 80% of MI)	207	693	900	19.2%	Townhomes, Mfgd. Homes, Plexes, Apartments
Low (less than 50% of MI)	0	433	433	9.3%	ADUs, Govt. Assisted Apts.
Total	2,952	1,734	4,685	100.0%	

\*Derived from Appendix A.



The group quarters demand generated by 762 residents accounts for demand generated by seniors in group homes and to a lesser extent university students and special needs population segments (including inmates at the correctional center). As indicated in **Figure 26**, the senior housing segment is projected to account for about three quarters of the overall group quarters demand, with the need for almost 380 units of shared senior housing required by year 2040.

**Figure 26. Projected Senior Housing Demand**

	Region Total within UGAs
Current Population	48,363
Proj. Net New Population within Region UGAs (@2.3 perso	8,485
Future Population year 2040	56,848
Population over Age 65	20%
Share of pop. over Age 65 in Nursing Homes	5.0%
Avg. Household Size within Nursing Homes	1.50
Proj. Net New Population in Nursing Homes	568
Proj. Senior Housing Need (dwelling units)	379

Source: population estimates and forecasts based on WA Office of Financial Management data; nursing home capture rates based on National Institute of Aging estimates, 2015.

Please refer to **Appendix A** for a Regional forecast of owner and renter housing needs by income level.

## Reconciliation of Housing Needs and Land Supply

According to the June 2019 Walla Walla County buildable land inventory and development capacity study, Walla Walla, College Place and Waitsburg UGAs had the potential to accommodate over 4,100 net new dwellings at full utilization (**Exhibit 27**). Note, the City of Dayton was included in a separate land capacity study for Columbia County.

**Figure 27. Land Capacity Analysis**

	Minimum Lot Size (SF)	Net Res. Land Inventory (acres)	Under- developed percent	Net New Pop. Capacity	Net New Dwelling Capacity	Infill & redevelopment Dwellings	Dwellings on Vacant Land	% Infill & redevelopment
<b>Waitsburg</b>				1,466	621	284	337	46%
R96 Suburban Residential	9,600	50.7	62%	538	228	86	142	
Residential (incorporated)	10,000	92.7	49%	875	371	189	182	
Flexible Comm./Res (Incorp.)	10,000	5.6	61%	53	22	9	13	
<b>College Place</b>				588	249	139	110	56%
Multiple Family Residential	n/a	2.1		59	25	-	25	
R-60 Single Family Residential*	6,000	21.6	30%	361	153	107	46	
R-72 Single Family Residential*	7,200	0.3		4	2	-	2	
R-96 Suburban Residential (incorp.)	9,600	6.3	58%	67	28	12	16	
R-96 Suburban Residential (area 2B)**	9,600	39.8	75%	426	180	46	134	
R-96 Suburban Residential (area 2C)	9,600	9.2	51%	97	41	20	21	
<b>Walla Walla City</b>				7,641	3,238	1,632	1,606	50%
Multiple Family Residential	n/a	-		-	-	-	-	
R-60 Single Family Residential ***	6,000	-		-	-	-	-	
R-72 Single Family Residential ***	7,200	54.7	21%	813	344	271	73	
R-96 Suburban Residential (incorp.)	9,600	569.0	51%	6,116	2,592	1,260	1,332	
R-96 Suburban Residential (other)	9,600	60.8	67%	712	302	101	201	

Source: Revised Land Capacity Analysis, Technical Memorandum, June 2019, the Watershed Company. Note, this analysis was completed prior to the City of Walla Walla creating a Neighborhood Residential zone to allow reduced lot sizes.

\* After 2019, College Place combined zones R-60/R-72/R-75 into a one SF District zone and allows up to two dwellings per lot.

\*\* Area 2B urban growth area expansion request was denied after 2020.

\*\*\* After 2019, Walla Walla changed code to allow 2-4 unit structures and ADUs in all single family zones.

While the overall land capacity within the Region appears to be adequate for addressing the long-term housing need for Waitsburg and Dayton, the analysis cited above indicates that nearly half of new construction would need to occur on under-developed (part vacant) tax lots. If property owners do not wish to subdivide their tax lots, the likelihood of meeting housing needs through “infill” is unlikely.

These findings also indicate that the current zoning and related land capacity within the College Place and Walla Walla UGAs (combined) may not be sufficient to fully accommodate multi-family demand. This issue is particularly acute in College Place, where the housing demand for single family and middle housing (672 units) is expected to exceed its zoned land capacity by 412 dwellings.

Based on the residential capacity analysis and this housing needs assessment, the following conclusions are made:

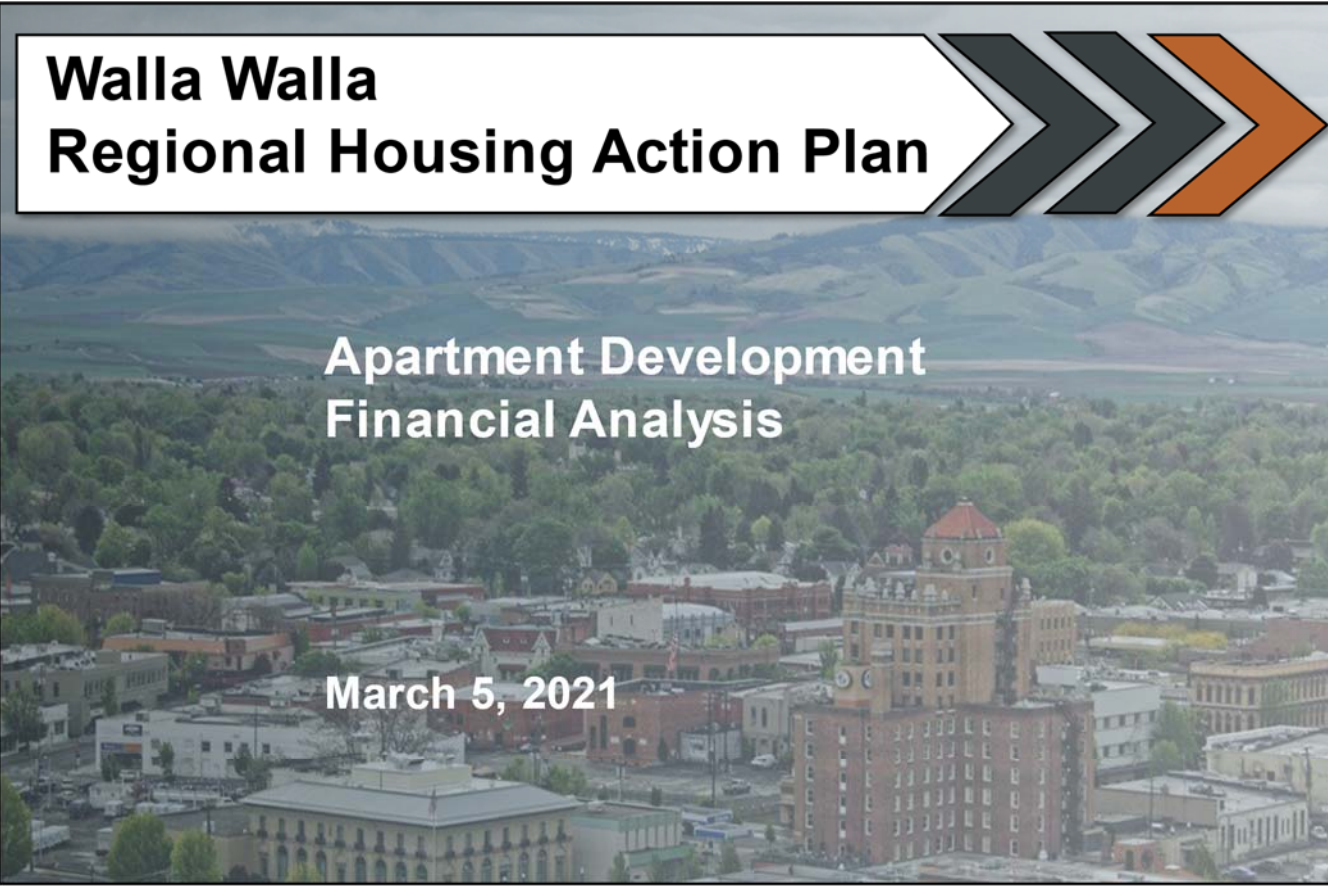
**College Place UGA:** the projected 20-year housing need of 776 dwelling units is far greater than the potential UGA capacity of 429 units, even after assuming 43% of net new housing will be constructed on infill and redevelopment lands.

**Walla Walla UGA:** the projected 20-year housing need of 3,710 dwelling units is greater than the potential UGA capacity of 3,238 dwelling units, even after assuming 50% of the net new housing will be constructed on infill and redevelopment lands.

**Waitsburg and Dayton UGAs:** the combined projected 20-year housing need of 200 or more dwelling can be accommodated by their existing UGAs, since Waitsburg alone is presumed to have the UGA capacity to add 621 dwelling units, after assuming 46% of the net new growth occurs on infill and redevelopment lands.

## APPENDIX D: FINANCIAL ANALYSIS


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**Walla Walla  
Regional Housing Action Plan**

**Apartment Development  
Financial Analysis**

**March 5, 2021**

 **FCS GROUP**  
Solutions-Oriented Consulting



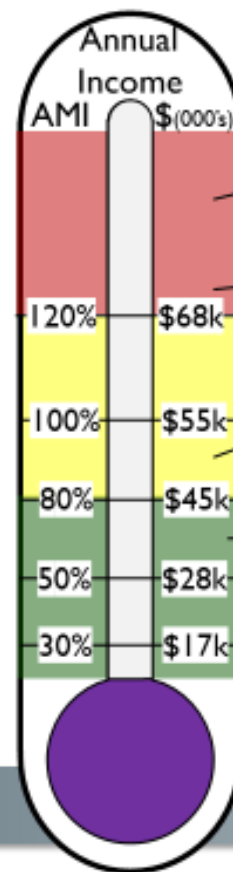
## Financial Feasibility Objectives

- ◆ Test financial viability from developer's perspective
- ◆ With and without affordable housing
  - Scenario 1: 3-level garden apartments
  - Scenario 2: 5-level flats (over parking)
- ◆ Evaluate incentives
  - 12-year property tax abatement
  - Impact fee reduction
  - Land write-downs
  - Parking reductions



## Housing Affordability Thermometer

- HUD uses median income to measure affordability
- HUD bases affordability on household size
- Affordability Thermometer conveys prices or rents based on expected payments
- Helps determine the market need for various housing types



### Local Labor Force Demographics Example:

- **Manager**  
\$96,000 (max rent: \$2,600)  
(168% of AMI if HH size = 2)
- **Teacher (middle school)**  
\$68,000 (max rent: \$1,800)  
(121% AMI if HH size = 2)
- **Industrial worker**  
\$55,511 (max rent: \$1,500)  
(98% AMI, low income if HH size = 2)
- **Medical Assistant**  
\$37,690 (max rent: \$1,000)  
(67% AMI if HH size = 2)
- **Average SSA recipient:**  
\$19,251 (max rent: \$500)  
(33% AMI HH size = 1)

## Regional Housing Needs

*Walla Walla Region will need 4,500+ dwellings over next 20 years*

- ♦ Range of dwelling types needed
- ♦ Need for more affordable units for owners and renters
- ♦ Residual Land Value Analysis: how much would a developer be willing to pay for the land for the right to build this project?



Garden  
Apartments



Flats



## Apartment Proforma Assumptions

	Scenario 1A	Scenario 1B	Scenario 1C	Scenario 2A	Scenario 2B	Scenario 2C
Particulars	Apts. (100% market rate)	Apts. (mixed income)	Affordable Apts.	Flats (100% market rate)	Flats (mixed income)	Affordable Flats
Site Size (acres)	2.0	2.0	2.0	2.0	2.0	2.0
Building Levels (above grade)	3	3	3	5	5	5
Dwelling Units	107	107	107	167	167	167
Affordable Units (@80% to 110% AMI)	0	15	107	0	30	167
Parking stalls	128	128	128	249	249	249
Parking Ratio (stalls per dwelling unit)	1.2	1.2	1.2	1.2	1.2	1.2
Dwellings per Acre	53	53	53	84	84	84
Est. Construction Cost*	\$23 M	\$23 M	\$23.5 M	\$41 M	\$41 M	\$40.6 M
Cost per Dwelling, excl. land	\$ 219,615	\$ 219,615	\$ 219,615	\$ 242,559	\$ 242,559	\$ 242,559
Targeted Developer Return on Equity (annual)						
with private developer	7.0%	7.0%		7.0%	7.0%	
with non-profit developer			4.0%			4.0%

Project Income Assumptions	Units	Scenario 1	Scenario 2
Market-rate units under 900 SF	per SF/month	\$1.71	\$2.00
Market-rate units over 900 SF	per SF/month	\$1.71	\$1.85
Affordable dwellings (@90% AMI)	per SF/month	\$1.71	\$1.74
Parking charge	per Stall/month	\$0	\$0

## Financial Analysis: Findings

Scenario	Developer	Dwellings	Residual Land Value Per Dwelling Unit		Relative Financial Feasibility	Annual Prop. Tax Revenue to City after abatement	Cumulative Prop. Tax Revenue to City Years 1-20
			no incentives	w/ tax abatement			
1A Apts. (100% market rate)	For Profit	107	\$7,921		Good	\$56,387	\$1,127,736
1B Apts. (mixed income)	For Profit	107	(\$3,926)	\$12,255	Excellent after incentives	\$56,387	\$451,094
1C Affordable Apts.	Non Profit	107		\$48,950	Excellent		
2A Flats (100% market rate)	For Profit	167	(\$8,882)	\$8,984	Good after incentives	\$97,517	\$1,950,337
2B Flats (mixed income)	For Profit	167	(\$15,951)	\$1,915	Fair after incentives	\$97,517	\$780,135
2C Affordable Flats	Non Profit	167		\$22,988	Excellent		

\* R.O.E. denotes estimated annual rate of targeted return on developer equity investment after debt service and before income taxes and depreciation.

- ♦ **Currently: only the market rate apartments are financially viable without incentives**
- ♦ **Non-profit developer greatly helps with affordable housing**
- ♦ **Tax Incentives plus land write-downs needed to create mixed-income apts.**

## **Summary**

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- ♦ **Housing market is strong enough to attract for-profit developers**
- ♦ **Garden apartments are viable without incentives**
- ♦ **Market rate flats over parking is not viable without some type of incentive**
- ♦ **Affordable or mixed-income housing requires incentives with for-profit developer, such as**
  - 12-year tax abatement (for affordable housing only)
  - Impact fee reduction (for affordable housing only)
  - Land write-down
  - Parking reductions
- ♦ **Non-profit developer could make affordable housing “pencil” with fewer incentives**
- ♦ **Recommend pilot program of multifamily incentives for next 3 years**
- ♦ **Identify public-owned potential catalyst site(s) for future developments**

# APPENDIX E: DISPLACEMENT MINIMIZATION STRATEGY

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To: Project Advisory Team: Elizabeth Chamberlain, City of Walla Walla; Jon Rickard, City of College Place; Meagan Bailey, City of Dayton; Randy Hinchliffe, City of Waitsburg; Nikki Sharp, Walla Walla County

Date: September 28, 2020

From: Violet Brown & Scott Fregonese, Fregonese Associates

CC: Todd Chase & Tim Wood, FCS GROUP

RE: Walla Walla Housing Action Plan Task 4 Anti-Displacement Best Practices

The purpose of this memorandum is to analyze the risk of displacement and gentrification in the region and to summarize best practices strategies to mitigate the impacts on local households and businesses. It builds on the findings included in FCS Group’s Task 1 Issues Memo and Task 2 & 3 Trends and Needs Memo and on the work previously published in the Affordable Housing Community Council Report.<sup>i</sup>

## SUMMARY

Housing Action Plans must, in accordance with HB1923, “encourage construction of additional affordable and market rate housing in a greater variety of housing types and at prices that are accessible to a greater variety of incomes” and “should consider strategies to minimize displacement of low-income residents resulting from redevelopment.” This is particularly true in neighborhoods with communities at high risk of displacement.

As growth trends in the region predict significant opportunities for future development, that development will likely exacerbate existing issues of affordability and result in market and socioeconomic shifts linked to displacement of households and businesses in vulnerable communities. Each jurisdiction in the Walla Walla region contains populations vulnerable to displacement. However, this memo identifies individual block groups particularly susceptible to these forces. It also recommends mitigation strategies. These recommendations represent a three-pronged approach to anti-displacement strategies:

1. Mitigation for Individuals and Families Experiencing Displacement,
2. Land Use & Development Strategies to Increase Production of Affordable Housing, and
3. Economic Strategies to Increase Opportunity.

Combating displacement requires cities to proactively apply a variety of different approaches, each supported by best practices research. The strategies are organized as a three-prong approach to anti-displacement to address the different aspects of displacement. Various action steps or programs appear



under each prong. The concept is to move forward on all three fronts in ways that are customizable for each jurisdiction.

## VULNERABILITY ASSESSMENT

Displacement occurs when households or businesses are involuntarily forced out of an area due to increasing housing prices or due to economic and demographic changes that alter the neighborhood's character. Gentrification, a well-documented housing issue since the 1960s, has traditionally been associated with the urban core, but rural gentrification is gaining ground in the face of an ever-expanding digital workforce and access to goods online. These changes allow what is a traditionally urban workforce to work remotely from rural and suburban areas, benefitting from the amenities and relative affordability these areas have to offer. Gentrification typically occurs in areas with relatively low property values with amenities that have become attractive or trendy.

As demand in the region grows, areas with relatively low rent/home value or perceived as lower quality housing become more attractive and profitable for redevelopment opportunities, and thus more vulnerable to displacement of existing residents. Some experts expect that the recent pandemic will only increase the pressure on smaller communities as families seek the “suburbs and rural periphery”.<sup>ii</sup> This post-Covid-19 migration to rural areas and small towns will be driven by a number of factors: increase remote work opportunities, perceptions of increased safety in less-dense communities, and a desire to live in rural areas for their scenery, access to nature, and other amenities.

Vulnerability calculations compare local geographies to regional averages across six variables reported by the US Census. The analysis below uses ACS 2014-2018 (five-year estimates) via Social Explorer reported by state, county, city, census tract, and block group:

- Percent of households that are renters
- Percent of households that are low-income
- Percent of adults (25 or older) without a four-year degree
- Percent of population who identify with a community of color
- Median home value
- Median gross rent

These factors are closely associated with an increased probability of redevelopment coupled with an increased difficulty in weathering rising housing costs and a higher susceptibility to involuntary displacement for both households and small business. This analysis has been adapted from work published by Dr. Lisa Bates of Portland State University for the Portland Bureau of Planning and Sustainability in 2012 and their subsequent *2018 Gentrification and Displacement Neighborhood Typology Assessment*<sup>iii</sup>. Changes to the methodology are designed to reflect concerns regarding smaller sample sizes and promoting easy replicability as local jurisdictions continue to monitor these variables into the future with readily available data sets.

For the purposes of this report, geographies with 5 or 6 of the variables reporting higher figures than regional thresholds are identified as areas vulnerable to displacement.

Thresholds	Walla Walla County
% People of Color	>28%
% Without College Degree	>71%
% Rentals	>35%
Poverty Status: % Doing Ok	<66%
Median Home Value	<\$209,800
Median Gross Rent	<\$893

Thresholds	State
% People of Color	>31%
% Without College Degree	>65%
% Rentals	>37%
Poverty Status: % Doing Ok	<73%
Median Home Value	<\$311,700
Median Gross Rent	<\$1,194

Vulnerability Levels	
High	>5 indicators
Moderate	3-4 indicators
Low	<3 indicators



## Cities

Indicators	Walla Walla	Waitsburg	College Place	Dayton	Walla Walla County
Poverty Status: % Doing OK	60%	64%		68%	62%
% Rentals	42%	23%		41%	31%
Median Home Value	\$ 190,000	\$150,000	\$ 190,000	\$ 156,200	\$ 209,800
Median Gross Rent	\$ 919	\$ 688	\$ 890	\$ 775	\$ 893
% Without Degree	74%	80%	65%	77%	71%
% POC	33%	10%	25%	16%	28%
Total Indicators	5	4	3	4	

*Table 1a. Vulnerability Analysis: Walla Walla County Cities to County Comparison.*

Indicators	Walla Walla	Waitsburg	College Place	Dayton	Washington
Poverty Status: % Doing OK	60%	64%		68%	62%
% Rentals	42%	23%		41%	31%
Median Home Value	\$ 190,000	\$150,000	\$ 190,000	\$ 156,200	\$ 311,700
Median Gross Rent	\$ 919	\$ 688	\$ 890	\$ 775	\$ 1,194
% Without Degree	74%	80%	65%	77%	65%
% POC	33%	10%	25%	16%	31%
Total Indicators	6	4	4	4	

*Table 1b. Vulnerability Analysis: Walla Walla County Cities to State Comparison.*

All cities show vulnerability to displacement when compared to the region, which increases when compared to the state. This is particularly true for poverty rates and educational attainment, where county figures differ significantly from the state. City of Walla Walla has the highest vulnerability score when compared to both county and state thresholds. City of Walla Walla has the lowest percentage of people “doing ok”, the highest percentage of rentals, and the highest percentage of people of color when compared to other cities.

## Census Tracts

City	Census Tract	Poverty Status: % Doing OK	% Rentals	Median Home Value	Median Gross Rent	% Without Degree	% POC	Total Indicators
	9204	100%	0%	NA	NA	97%	57%	2
	9205	46%	54%	\$ 102,600	\$ 851	87%	66%	6
	9206	54%	51%	\$ 134,200	\$ 891	84%	45%	6
Walla Walla	9207.01	67%	53%	\$ 198,800	\$ 878	67%	20%	3
	9207.02	68%	28%	\$ 224,100	\$ 1,023	56%	21%	0
	9208.01	48%	42%	\$ 186,500	\$ 1,000	76%	20%	4
	9208.02	49%	55%	\$ 208,500	\$ 831	65%	24%	4
Waitsburg	9201	80%	17%	\$ 254,300	\$ 870	70%	12%	2
College Place	9203	69%	41%	\$ 190,000	\$ 890	66%	25%	3
Dayton	9602	68%	31%	\$ 170,800	\$ 740	75%	14%	3

*Table 2. Vulnerability Analysis: Census Tract to County Comparison. Bolded data indicates the highest or lowest value for the category.*

Census Tract analysis reveals two highly vulnerable tracts for City of Walla Walla (9205 and 9206). Tract 9205 has the lowest percentage of people “doing ok”, the lowest median home value, and the highest percentage of people of color when compared to all census tracts in the study area. Census tracts that may become more vulnerable overtime (moving from a rank of moderate to high), include tract 9208.01 and 9208.02. These tracts exceed county thresholds for poverty, rentals, and home value.

Census tracts in the remaining cities have vulnerability ranks of low to moderate when compared to the county. No tract in the remaining cities exceeds three total indicators.

## Block Groups

City	Block Group	Poverty Status: % Doing OK	% Rentals	Median Home Value	Median Gross Rent	% Without Degree	% POC	Total Indicators
Walla Walla	BG1 T9204	100%	0%	NA	NA	97%	57%	2
	BG1 T9205	37%	53%	\$ 90,000	\$ 867	91%	63%	6
	BG2 T9205	54%	60%	\$ 99,200	\$ 1,009	89%	79%	5
	BG3 T9205	50%	48%	\$ 134,900	\$ 775	78%	52%	6
	BG1 T9206	69%	43%	\$ 73,800	NA	93%	41%	4
	BG2 T9206	14%	63%	\$ 90,900	\$ 709	88%	72%	6
	BG3 T9206	60%	40%	\$ 119,100	NA	89%	69%	5
	BG4 T9206	64%	32%	\$ 191,800	\$ 900	75%	37%	4
	BG5 T9206	50%	74%	\$ 260,100	\$ 1,051	74%	14%	3
	BG1 T9207.01	60%	78%	\$ 193,100	\$ 714	46%	19%	4
	BG2 T9207.01	57%	41%	\$ 162,200	\$ 880	82%	33%	6
	BG3 T9207.01	65%	38%	\$ 196,600	\$ 955	60%	12%	3
	BG4 T9207.01	81%	53%	\$ 218,900	\$ 1,269	74%	15%	2
	BG1 T9207.02	71%	23%	\$ 254,900	\$ 1,291	53%	28%	0
	BG2 T9207.02	73%	17%	\$ 196,100	\$ 828	65%	17%	2
	BG3 T9207.02	55%	38%	\$ 213,900	\$ 786	40%	13%	3
	BG4 T9207.02	73%	35%	\$ 175,000	\$ 820	69%	27%	2
	BG1 T9208.01	58%	7%	\$ 233,300	NA	76%	12%	2
	BG2 T9208.01	52%	52%	\$ 164,900	\$ 1,127	76%	33%	5
	BG3 T9208.01	58%	47%	\$ 172,900	\$ 845	69%	13%	4
	BG4 T9208.01	30%	45%	\$ 183,800	\$ 999	83%	16%	4
Waitsburg	BG1 T9208.02	35%	67%	\$ 165,400	\$ 897	77%	26%	4
	BG2 T9208.02	69%	38%	\$ 238,500	\$ 788	55%	19%	2
College Place	BG4 T9201	66%	20%	\$ 154,700	\$ 688	80%	10%	3
	BG1 T9203	73%	34%	\$ 192,700	\$ 657	71%	34%	3
	BG2 T9203	63%	66%	\$ 190,400	\$ 861	67%	29%	5
	BG3 T9203	44%	69%	\$ 99,500	\$ 828	76%	20%	5
Dayton	BG4 T9203	79%	26%	\$ 200,900	\$ 1,125	60%	19%	1
	BG2 T9602	56%	27%	\$ 139,300	\$ 795	72%	21%	4
	BG3 T9602	70%	34%	\$ 226,800	\$ 914	81%	13%	1
	BG4 T9602	67%	27%	\$ 158,300	\$ 752	77%	14%	3

**Table 3. Vulnerability Analysis: Bolded data indicates the highest or lowest value for the category.**

Block group analysis reveals more detailed trends in vulnerability. Overall, ten block groups are considered highly vulnerable. These block groups are in City of Walla Walla and College Place.

For City of Walla Walla, seven block groups (30.4% of all block groups in City of Walla Walla and 22.6% of all block groups in the study area) have high vulnerability rankings. Out of the seven block groups, BG2 T9206 has the lowest poverty status (14% of people “doing ok”) out of all block groups in the study area. BG1 T9206 has the lowest median home value (\$73,800) out of all block groups in the study area. For moderate ranking block groups, it is important to consider which indicators exceed county thresholds. Block groups that exceed thresholds for poverty, percentage of rentals, and home value (BG3-BG4 T9208.01, BG1 T9208.02) may be more vulnerable than block groups that exceed thresholds for education and people of color but have higher median home values and low poverty. A total of 20% of Walla Walla residents live within block groups that have high vulnerability ratings.

The remaining three cities include block groups with moderate to high vulnerability rankings. City of College Place has two block groups that rank high for vulnerability (BG2 T9203, BG3 T9203). BG3 has the lowest poverty score, highest percentage of rentals, lowest median home value, and highest percentage of people without a college degree for the city. A total of 35% of College Place residents live in block groups that have high vulnerability rankings.

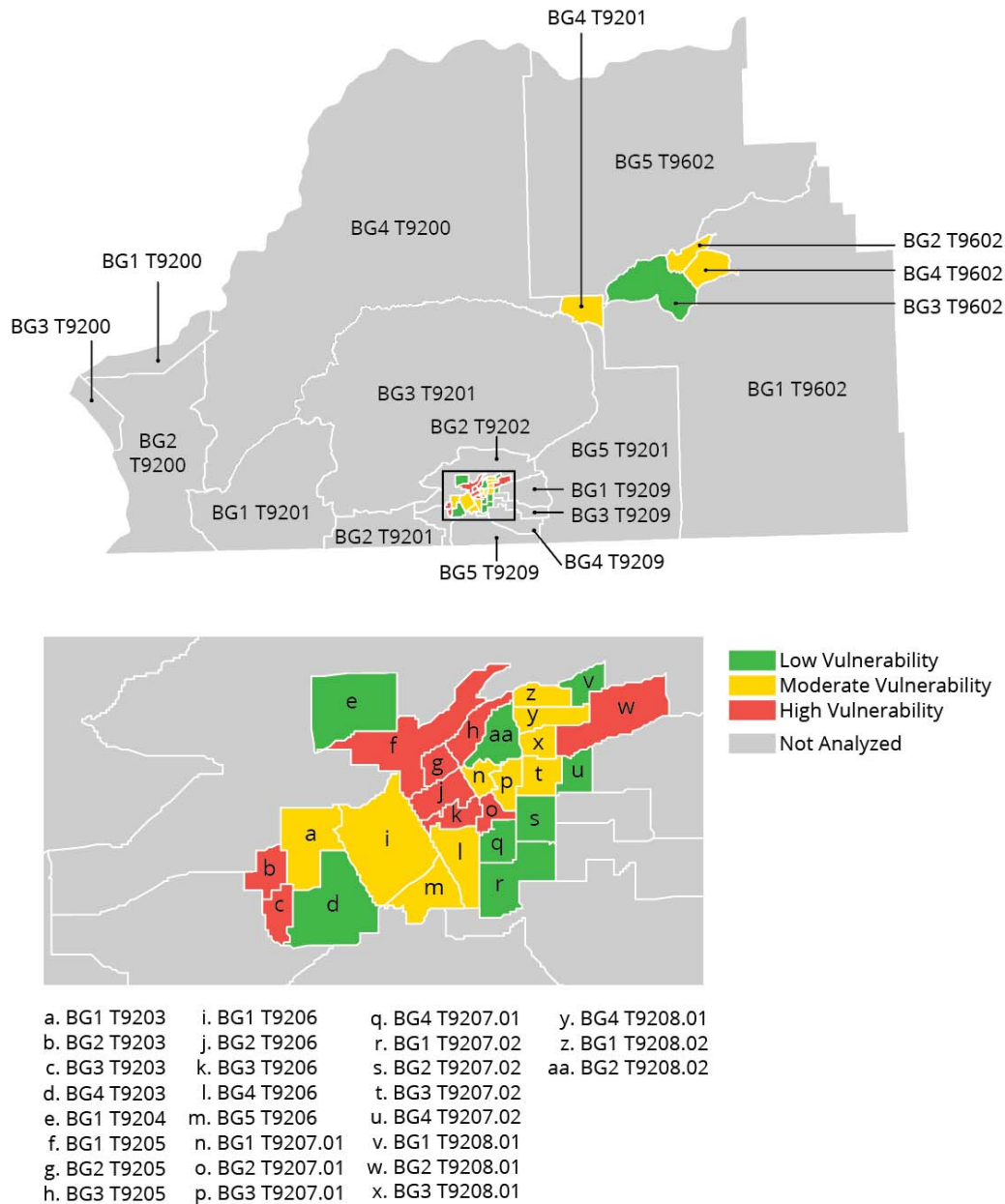
City	Block Group	Population	% City Pop
Walla Walla	BG1 T9205	1,144	3%
	BG2 T9205	957	3%
	BG3 T9205	584	2%
	BG2 T9206	948	3%
	BG3 T9206	1,027	3%
	BG2 T9207.01	968	3%
	BG2 T9208.01	1,503	5%
College Place	BG2 T9203	1,800	20%
	BG3 T9203	1,384	15%

**Table 4. High Vulnerability Block Group Population.**

In response to concerns raised by the Stakeholder Advisory Committee for this project and in furtherance of state guidelines for specific consideration of vulnerable populations, the below chart includes the percentage of seniors within each population listed by block group and that block groups vulnerability index. Most of the areas with the highest concentration of seniors are not within block groups considered the most vulnerable. While this analysis does not indicate any alarming patterns, it is important that anti-displacement strategies take special note of seniors and recognize that displacement can occur across the region.

City	Block Group	% 65+	Total Indicators
Walla Walla	BG1 T9204	4%	2
	BG1 T9205	8%	6
	BG2 T9205	4%	5
	BG3 T9205	8%	6
	BG1 T9206	39%	4
	BG2 T9206	10%	6
	BG3 T9206	21%	5
	BG4 T9206	6%	4
	BG5 T9206	43%	3
	BG1 T9207.01	22%	4
	BG2 T9207.01	8%	6
	BG3 T9207.01	18%	3
	BG4 T9207.01	35%	2
	BG1 T9207.02	17%	0
	BG2 T9207.02	21%	2
	BG3 T9207.02	18%	3
	BG4 T9207.02	12%	2
	BG1 T9208.01	24%	2
	BG2 T9208.01	14%	5
	BG3 T9208.01	13%	4
	BG4 T9208.01	8%	4
	BG1 T9208.02	15%	4
	BG2 T9208.02	27%	2
Waitsburg	BG4 T9201	20%	3
College Place	BG1 T9203	28%	3
	BG2 T9203	5%	5
	BG3 T9203	18%	5
	BG4 T9203	21%	1
Dayton	BG2 T9602	24%	4
	BG3 T9602	35%	1
	BG4 T9602	23%	3

**Table 5. Percent Seniors (65+) by block group.**



**Figure 1. Block Group Map for Study Area with inset of Walla Walla and College Place.**

## Recommended Strategies to Mitigate Displacement

While the City of Walla Walla has the highest number of residents and blocks groups experiencing displacement vulnerability, all four cities in this study have either areas of high vulnerability or meet metrics that indicate increased susceptibility to displacement. Each of the cities should pursue a three-pronged approach to reducing displacement risk:

1. Mitigation for Individuals and Families Experiencing Displacement,
2. Land Use & Development Strategies to Increase Production of Affordable Housing, and
3. Economic Strategies to Increase Opportunity.

Each city does not necessarily need to carry out each of the strategies below. Instead, the recommended strategies should be viewed as a “menu” of policy and program choices to be implemented based on each community’s risk level and the viability of the strategy based on local conditions. Reducing displacement risk should be a regional effort, but the specific approach taken can (and should) differ on the local level.

1. Create Stability for Local Residents by Mitigating the Impact of Displacement:
  - Anti-Displacement Impact Assessments

Integrate displacement into the analysis and review of potential policies, programs, and development applications by creating a standardized assessment of potentially unintended consequences upfront and enforcing reasonable mitigation efforts directly connected to the proposal.<sup>iv</sup> Anti-Displacement measure must include a reliable way to track the impact new development has on Naturally Occurring Affordable Housing (NOAH). While increased production of new housing is essential to preserving supply, NOAH is frequently seen as ripe for redevelopment as soon as market rates surpass current value to create a ‘rent gap’ making redevelopment profitable. An impact assessment is one tool to track how many affordable units are being developed and at the cost of how many existing units. This option can function on a range of intensities with the obligation and cost either assigned applicants or city staff and the weight of the assessment varying depending on the severity of the issue within each jurisdiction and the viability of the requirement within local markets.

- Rental Registration Program

A registration program would create a consolidated database of available units in the region, rental costs, and local practices. A small fee per unit could be set to fund the program, which could include a streamlined application process. The costly and time-consuming housing application process is often listed as a practical barrier to housing access. Multiple application forms, with slightly different requirements, and compounded credit check fees are prohibitively onerous. While some local service organizations provide some assistance, a streamlined process eases the burden on renters and landlords alike and help jurisdictions track relevant data.

- Tenant Protection Enhancements

As vacancy rates decrease, an ordinance extending the notice period for no cause evictions to 60 days for landlords with five or more units would allow renters additional time to plan, contact services, and hopefully relocate without a disruption in adequate housing. Washington State already requires a 60-day period for tenants facing eviction because the owner lost the building in a foreclosure.

- Emergency Rental Assistance

Aiding families facing homelessness due to temporary economic hardship in the form of Emergency Rental Assistance. Washington State Department of Social & Human Services (DSHS) offers one-time cash payment to get or keep safe housing or utilities in emergency situations to families eligible for the Additional Requirements for Emergent Needs (AREN) or the Diversion Program. The Eviction Rent Assistance Program (ERAP) Grant is part of Washington State’s short-term response to the COVID-19 disaster and offers three months of rent payment to prevent evictions.<sup>v</sup>

- Home Ownership Assistance

Enhance and promote existing programs that supply down payment assistance and application support to first time homebuyers. Washington offers the Home Advantage Needs Based Downpayment Assistance Loan Program with up to \$10,000 to eligible homebuyers.<sup>vi</sup>

- Utility Payment Financial Assistance & Homeowner Assistance

Homeowners are also subject to raising housing costs as property taxes, maintenance, heating, and cooling costs increase. This is particularly true for seniors on fixed incomes. Partnering with groups such as BMAC/The Healthy Homes Program, which provides weatherization and energy efficiency services, can reduce the burden on seniors. Washington State Department of Commerce's Home Rehabilitation Loan Program provides low-interest loans to low-income homeowners for repairs and necessary improvements.

## 2. Protect Regional Housing Stock: Increase Production of Affordable Housing Options

- Affordable Housing Fund

In 2016, Vancouver voters authorized the use of property tax revenue (residential and commercial) to create an Affordable Housing Fund that can be used “for the purpose of buying, building and preserving low-income rental housing and preventing homelessness through rental assistance and housing services.”<sup>vii</sup> The tax is capped at \$6 million and expected to generate \$43M dollars before it expires in 2023. At which point, Vancouver City Council can seek an extension or let it expire. Property tax exemptions are included for seniors and people with disabilities who earn less than \$40,000 a year.

- Land Banking

Cities can reserve or ‘bank’ land for affordable housing, similar to a popular program created in Eugene, Oregon.<sup>viii</sup> Sites being considered for purchase should be evaluated based on cost, density, environmental quality, and access transportation, community services, and jobs. Gentrification in more rural areas often results in lower-income households moving further away from city centers with longer commutes to jobs and services. Priority areas should be based on a combination of community vulnerability, recent Anti-Displacement Impact Assessments, and on the area's potential for offering meaning opportunities for safe and affordable housing close to jobs and services.

- Community Land Trusts

Community land trusts create additional affordable home ownership opportunities by removing land from the costs of real estate. In a traditional Community Land Trust model, the homeowner owns the home (and the value of any improvements), but a nonprofit owns the land. Thus, creating additional affordable opportunities for homebuyers by removing land from the cost of real estate. Resale value is not determined by the real estate market but set based on the local cost of living.

- Right of First Offer/Refusal Program

Community land trusts can be granted the right of first offer or right of first refusal to allow them to purchase homes in specifically vulnerable communities to provide homeownership opportunities to households with low-income households. Right of first offer places very minimal requirements on property owners. Notice would be sent that a property will be for sale and either the trust or the owner sets and offer price depending on the program framework. Funding assistance for this program could come from an Affordable Housing Fund.<sup>ix</sup>

- Affordable Housing on Public Land

Washington state (through RCW 43.63A.510 and RCW 39.33.015) directs specific state agencies to inventory under-utilized or surplus state-owned land, which can be used to develop housing for low- and moderate-income households (up to 115% of AMI).

- Zoning Protection for Manufactured Dwelling Parks

For many families, manufactured homes are an affordable housing option. They are built in a factory and transported to either a leased plot within a manufactured home park or on private property. It is important to ensure that local zoning ordinances do not unduly hinder the functioning and placement of manufactured homes. Protecting existing parks will increase affordable housing supply and mitigate involuntary displacement.

- Multifamily Tax Exemption

The Multifamily Tax Exemption (MFTE) is a tool that incentivizes the development of multifamily housing, described in depth in the Community Council Affordable Housing Report.

*Cities with a population of at least 15,000 can use the MFTE to exempt property taxes for 12 years on new multifamily construction (with at least four units), provided 20% of the units are affordable to low- and moderate-income households (up to 115% of the median family income). In this case, the public funds go to the developer in the form of a tax break, not in the form of a rental payment. If the owner of the property decides to increase rates above the established affordability threshold, the tax exemption is cancelled, and the property is subject to additional tax penalties. Cities with populations of less than 15,000 can use this tool, provided they are the largest urban area in a county planning under the Growth Management Act. Small cities, however, may not have the financial resources to feasibly offer a property tax exemption. Another provision to the rule allows cities to exempt property taxes for multifamily development for eight years with no requirement that a percentage of the units be set aside for low-income renters. The area designated for the MFTE is determined by the local governing authority, and the intention of the legislation is to increase mixed-income residential opportunities, including affordable housing, in urban centers. Expansion of the targeted area within the urban core can open additional opportunities for incentivizing multifamily development.*

3. Protect the Local Economy: Job Training Partnerships to foster local opportunities and prosperity through improved workforce development initiatives

Economic development strategies that improve local resiliency through workforce training bolster opportunity for existing residents. Focus on both higher and secondary educational institutions in the region to take advantage of sector-based partnerships. Construction based partnerships in particular are likely to improve the supply of low-income housing. The goal is to create programs that offer training/apprenticeships and future job opportunities that improve the quality of jobs in the area.

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<sup>1</sup> Community Council Report: Affordable Housing (April 2019) via  
[https://www.wwcommunitycouncil.org/media/1125/affordable-housing-study-report\\_2019.pdf](https://www.wwcommunitycouncil.org/media/1125/affordable-housing-study-report_2019.pdf)



<sup>ii</sup> Florida, Richard. "How Coronavirus Will Reshape U.S. Cities." *Bloomberg.com*, Bloomberg, 2 July 2020, [www.bloomberg.com/news/features/2020-07-02/how-coronavirus-will-reshape-u-s-cities](https://www.bloomberg.com/news/features/2020-07-02/how-coronavirus-will-reshape-u-s-cities).

<sup>iii</sup> 2018 Gentrification and Displacement Neighborhood Typology Assessment, Key Findings and Methodology Report, Bureau of Planning and Sustainability, City of Portland, Oregon, via [https://www.portland.gov/sites/default/files/2020-01/gentrification\\_displacement\\_typology\\_analysis\\_2018\\_10222018.pdf](https://www.portland.gov/sites/default/files/2020-01/gentrification_displacement_typology_analysis_2018_10222018.pdf)

<sup>iv</sup> King County Washington Equity Impact Review Process Overview (March 2016) via [https://www.kingcounty.gov/~media/elected/executive/equity-social-justice/2016/The\\_Equity\\_Impact\\_Review\\_checklist\\_Mar2016.ashx?la=en](https://www.kingcounty.gov/~media/elected/executive/equity-social-justice/2016/The_Equity_Impact_Review_checklist_Mar2016.ashx?la=en)

<sup>v</sup> Washington State Department of Commerce, Homeless Assistance via <https://www.commerce.wa.gov/serving-communities/homelessness/>

<sup>vi</sup> Washington State Housing Finance Commission, Home Advantage Program via <https://www.wshfc.org/buyers/HomeAdvantage.htm>

<sup>vii</sup> *Affordable Housing Fund | City of Vancouver Washington*, Community Development Programs, May 2020, [www.cityofvancouver.us/ced/page/affordable-housing-fund](http://www.cityofvancouver.us/ced/page/affordable-housing-fund).

<sup>viii</sup> Landbanking Program for Affordable Housing, Government Innovators Network, Harvard Kennedy School Ash Center for Democratic Governance and Innovation, 2007 Finalist, <https://www.innovations.harvard.edu/landbanking-program-affordable-housing>

<sup>ix</sup> Kim, Jihyeon; Knapp-Rossi, Malia; Lance, Jeff; Meyers, Joseph; Moulton, Aster; and Stone, Tay, "Reside Vancouver: An Anti-Displacement Plan" (2019). *Master of Urban and Regional Planning Workshop Projects*. 170. <https://archives.pdx.edu/ds/psu/29217>



**RESOLUTION NO. 2019-115**

**A RESOLUTION AUTHORIZING SUBMISSION OF AN APPLICATION FOR AN  
E2SHB 1923 GRANT PROGRAM AND TAKING OTHER NECESSARY ACTION  
WITH RESPECT TO SUCH GRANT PROGRAM**

WHEREAS, the City of Walla Walla passed Municipal Ordinance A-2405 on May 13, 1970 which classified the City of Walla Walla as a nonchartered code city under Title 35A of the Revised Code Washington (RCW); and

WHEREAS, RCW 35A.11.020 provides in pertinent part that “[t]he legislative body of each code city shall have all powers possible for a city or town to have under the Constitution of this state, and not specifically denied to code cities by law;” and

WHEREAS, Walla Walla has “all of the powers which any city of any class may have and shall be governed in matters of state concern by statutes applicable to such cities in connection with such powers to the extent to which such laws are appropriate and are not in conflict with the provisions specifically applicable to code cities” pursuant to RCW 35A.21.160; and

WHEREAS, RCW 35A.11.040 authorizes the Walla Walla City Council to “accept any gift or grant for any public purpose and may carry out any conditions of such gift or grant when not in conflict with state or federal law;” and

WHEREAS, section 35.21.735 of the Revised Code of Washington declares that “carrying out the purposes of federal grants or programs is both a public purpose and an appropriate function for a city, town, county, or public corporation” and authorizes entry into agreements to receive and expend grant funds; and

WHEREAS, Chapter 39.34 of the Revised Code of Washington authorizes political subdivisions to enter into intergovernmental cooperation agreements, and

WHEREAS, Washington State Department of Commerce has developed a grant program to implement Chapter 348, of the 2019 Laws of Washington (Engrossed Second Substitute House Bill (E2SHB) 1923) which encourages cities planning under Washington’s Growth Management Act (GMA) to adopt actions to increase residential building capacity; and

WHEREAS, the Walla Walla City Council has considered this matter during a regularly and duly called public meeting of said Council, has given said program careful review and consideration, and finds that participation in the program is an appropriate function for the city and that the best interests of the City of Walla Walla will be served by participation in the program and cooperative allocation of grant funding;

**NOW THEREFORE, the City Council of the City of Walla Walla resolves as follows:**

***Section 1:*** The Walla Walla City Council hereby authorizes submission of an

application for E2SHB grant funding and all other documents needed to apply for and accept such grant and to participate in the grant program.

**Section 2:** The Mayor of the City of Walla Walla is hereby authorized to sign and submit a letter of authorization supporting the City of Walla Walla's application for E2SHB grant funding and agreeing that the City of Walla Walla will adopt ordinances and/or plans that result from the grant, by April 1, 2021.

**Section 3:** The City Manager of the City of Walla Walla is hereby authorized to submit a grant application and accept a E2SHB grant award, and the Walla Walla City Manager, and/or designees of the Walla Walla City Manager, are hereby authorized and empowered to execute a grant application, scope of work, project budget, certifications, agreements and other documents that may be required to participate in the grant program.

**Section 4:** The City Manager of the City of Walla Walla is designated as the chief administrative official and the City's authorized representative in all matters arising out of participation in the grant program authorized by section 1, and the City Manager of the City of Walla Walla, and/or designees of the Walla Walla City Manager, are hereby authorized, empowered, and directed to comply with program requirements and to make such certifications, reports, or other representations which may be necessary on behalf of the City of Walla Walla.

**Section 5:** The Walla Walla City Manager, and/or designees of the Walla Walla City Manager, are hereby authorized and empowered to approve and execute other documents related to and required by the grant program.


**Section 6:** The Walla Walla City Manager, and/or designees of the Walla Walla City Manager, are hereby authorized and empowered to negotiate and execute intergovernmental agreements needed to participate in the E2SHB grant program and/or to cooperatively allocate funds received from the grant program subject to the following conditions: (a) no agreement executed in accordance with this section shall relieve the City of Walla Walla from compliance with enactments of the Walla Walla City Council or any other obligation or responsibility imposed by law, (b) any agreement executed in accordance with this section shall be reported to the Walla Walla City Council at the first meeting of the Walla Walla City Council following its execution, and (c) any agreement executed in accordance with this section may be revoked and terminated by the Walla Walla City Council at the meeting that it is first reported to the Walla Walla City Council.

**Section 7:** The City Manager of the City of Walla Walla, and/or designees of the Walla Walla City Manager, is hereby authorized and empowered to execute amendments

to the agreements authorized by section 6 herein subject to the following conditions: (a) no amendment executed in accordance with this section shall relieve the City of Walla Walla from compliance with enactments of the Walla Walla City Council or any other obligation or responsibility imposed by law, (b) any amendment executed in accordance with this section shall be reported to the Walla Walla City Council at the first meeting of the Walla Walla City Council following its execution, and (c) any amendment executed in accordance with this section may be revoked and terminated by the Walla Walla City Council at the meeting that it is first reported to the Walla Walla City Council.

**Section 8:** The Walla Walla City Clerk is hereby authorized and directed to attest any agreement or other document executed in accordance with this resolution.


**PASSED** by the City Council of the City of Walla Walla, Washington, September 25, 2019.


  
Mayor

Attest:

  
City Clerk

Approved as to form:

  
City Attorney

	<p>City of Walla Walla Planning Commission Development Services 55 E. Moore Street Walla Walla, WA 99362</p>
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## CITY OF WALLA WALLA PLANNING COMMISSION

### SUMMARY NOTES

Monday, June 7, 2021 – 7:00 P.M.

Online Meeting via Zoom

#### 1. JOINT SESSION WITH PLANNING COMMISSIONS OF THE CITITES OF DAYTON, WAITSBURG, COLLEGE PLACE, AND WALLA WALLA - REGIONAL HOUSING ACTION PLAN PRESENTATION

Walla Walla Planning  
Commission

Members Present: Brenda Bernards, Chair  
Barlow Corkrum, Vice-Chair  
Carlan Bradshaw  
David Fogarty  
Kent Huxel  
Erik McLaughlin  
Anne Swant

Staff Present: Jon Maland, Senior Planner  
Melissa Shumake, Planner  
Preston Frederickson, Director  
Pam Ransier, Administrative Permit Coordinator  
Elizabeth Chamberlain, Deputy City Manager

#### A. Draft Regional Housing Action Plan Presentation

The consultant team, FCS Group, presented the draft Regional Housing Action Plan (RHAP). An overview of the plan development, public outreach components, and involvement by the project team and stakeholder advisory committee was provided.

Summary of discussion and questions:

Carlan: interested in knowing survey participants, survey completed online, and respondents asked to provide demographic information. EC responded how distributed survey.

Rachel Elfenbein: comment about MFTE recommendation/expansion and after 12 years would those units become unaffordable and displace those households. Think about a long-term strategy for affordability.

Dorothy Knudson: pricing system where primary residence for property taxes is one rate and second homes are assessed at a higher rate. Consultant responded that other states have a homestead tax exemption (Idaho and Florida as example) but not something available in Washington and Oregon but perhaps advocate with state legislature.

Kent Huxel: Seasonal housing how prevalent. Consultant responded census tracks seasonal housing but perhaps undercounted and college towns can skew the number. Survey regarding

number of homeless households. Do we know demographics? Responded point in time count data.

Anne Swant: Realtor by trade. Macro economics suggest supply/demand influencing prices. Need land to build new homes and finding affordable land for infill or vacant land; also have an infrastructure expectation to develop land within city. What are creative ways to assist with development? What are ways communities are supporting incentives? Consultant responded: surplus city owned land and be proactive by completing the permitting for a development, work with property owners to up the learning curve and determine if the property owners want to develop or attract a larger developer. Pendleton hosts an annual home construction conference for smaller lot developments; bring together those property owners and builders. Pre-approved plans for ADUs can be an approach.


Miles: comment about renters and owners; shortage on both sides. Demand for additional ownership opportunities and rental opportunities. Renter market is currently more underserved and where the pent-up demand is right now. Cost of housing multifaceted and includes building and fire codes that need to be met in addition to other costs. Seen anything state level relaxing requirements UGA, lessen costs for development.

David Fogarty: Disappointed that the region did not include down to Milton-Freewater or out towards Burbank. Provided written comments, see attached.

Jon Rickard, City of College Place: expansion of the UGA. Emphasized the need to update the CWPPs and the methodology for allocating population growth and methodology for buildable lands. How are other Washington counties allocating growth? Consultant responded not a good example of Eastern Washington and will include a statement in the draft plan.

## **2. ADJOURNMENT**

Joint Meeting adjourned at 8:31 p.m.

	<p>City of Walla Walla Planning Commission Development Services 55 E. Moore Street Walla Walla, WA 99362</p>
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## CITY OF WALLA WALLA PLANNING COMMISSION MINUTES

**Monday, July 12, 2021 – 7:00 P.M.**  
**Online Meeting via Zoom**

### 1. CALL TO ORDER

**Chair Bernards** called the meeting to order at 8:36 p.m.

### 2. ROLL CALL

Members Present: Brenda Bernards, Chair  
Barlow Corkrum, Vice-Chair  
Carlan Bradshaw  
Kent Huxel  
David Fogarty (7:15PM)

Staff Present: Elizabeth Chamberlain, Assistant City Manager  
Jon Maland, Senior Planner  
Lisa Wasson-Seilo, Planner  
Pam Ransier, Administrative Permit Coordinator

Quorum was established.

### 3. APPROVAL OF MINUTES

#### A. Regular Meeting – June 7, 2021

MOTION: **Commissioner Huxel** moved, and **Commission Bradshaw** seconded to approve the June 7, 2021, minutes as presented.

Motion Carried: 5 – 0

### 4. NEW BUSINESS

#### A. Regional Housing Action Plan (Public Hearing) –SEP-21-0012

**Elizabeth Chamberlain, Asst. City Manager** presented the agenda item, beginning with a PowerPoint presentation detailing the process and participants who helped complete the Regional Housing Action Plan. Ms. Chamberlain collected comments from staff and commission members from the cities of Walla Walla, College Place, and Waitsburg and representatives from local housing related non-profits during the June 7, 2021, joint work session and worked with the consultant to produce the final version of the Regional Housing Action Plan. Commission members asked clarifying questions regarding process. Ms. Chamberlain offered to add any other additional comments as a supplement to the plan if the Commission desired.

This item is scheduled to go to the City Council for final approval on August 10, 2021.

**Chairman Bernards** opened the public hearing at 7:25PM and asked for public comments.

**Catherine Veninga** (2015 Carl Street, Walla Walla), asked for an explanation of the entire process which Ms. Chamberlain provided.

**Chairman Bernards** asked for any additional comments. Seeing none, she closed the public hearing at 7:29PM and asked for comments from Planning Commission members.

**Commissioner Bradshaw** expressed concern regarding the appearance of a lack of family-oriented housing options, and a lack of information related to current homebuyers and how the property is being used.

MOTION: **Commissioner Corkrum** moved, and **Commission Fogarty** seconded to approve the plan, including the additional comments from City of College Place, Commissioner Fogarty, and Community Council, as presented and forward on to City Council for final approval.

Motion Carried: 5 – 0

**B. Vacation of a Public Right of Way (Public Meeting) – VAC-21-0001**

**Jon Maland, Sr. Planner**, presented the application to vacate a portion of the City right of way located in the alley of the block between N 9<sup>th</sup> Avenue and N 10<sup>th</sup> Avenue, near the existing railroad right of way. Local utilities would retain the existing easements. The applicant is the property of on both sides of the alley and is seeking to consolidate the parcels.

No comments were received on this item.

MOTION: **Commissioner Corkrum** moved, and **Commission Fogarty** seconded to approve the proposed vacation as presented and forward on to City Council for final approval.

Motion Carried: 5 – 0

**C. 2021 Planning Commission Bylaw Update**

**Jon Maland, Sr. Planner**, presented the proposed change to the Planning Commission's meeting time from 7PM to 6:30PM to bring the meeting start time in alignment with other public meetings conducted by the City after regular business hours. The request must be formally voted on at the next Planning Commission meeting before the change in meeting time begins.

MOTION: **Commissioner Corkrum** moved, and **Commission Fogarty** seconded to vote at the August meeting the proposed change in meeting time.

Motion Carried: 5 – 0

**5. Staff Updates**

- Lisa Wasson-Seilo is the newest DS team member as a city planner, replacing Melissa Shumake.
- Development Services will resume in-person meetings at the August meeting.
- Commissioner Huxel had taken a position in the Puget Sound area and resigned from the commission.



**5. ADJOURNMENT**

MOTION: **Commissioner Huxel** moved, and **Commissioner Fogarty** seconded to adjourn.

Motion carried 5 - 0

Meeting adjourned at 7:54 p.m.



ar-4304

Pgs. 109-121

**City Council - Regular Meeting**

**Meeting Date:** 08/11/2021

**Item Title:** Preliminary Plat for Harvey Ranch Estates

**Submitted For:** Jon Maland, Development Services Department

**Project No:**  
PPL-20-0004

**Financial Comments:**

Review fees for civil plans to be submitted by applicant, building permit fees for housing unit construction. Developer to be responsible for public facility improvements.

**All Contracts:**

Not Applicable

**Federally funded contracts only:**

Not Applicable

**Construction contracts only:**

Not Applicable

**Brief Summary of Requested Action:**

Request for Preliminary Plat approval for Harvey Ranch Estates, a 235 lot subdivision near Lower Waitsburg, Middle Waitsburg Road and north of the Highway 12 and Clinton Street intersection.

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**Information**

**HISTORY:**

1996: The subject property is included in the Urban Growth Area (UGA). 2016: The subject property was annexed into the City limits of Walla Walla. October 2, 2020: Richland 132, LLC submitted a Preliminary Plat application to subdivide the approximately 58 acres property into 238 lots. During the review of the Traffic Impact Analysis, the subdivision was reconfigured, and the lot number decreased to 235 lots. The total number of housing units will be 235. The subject property is located west of the Lower Waitsburg Road, north of the intersection of Highway 12 and Middle Waitsburg Road. November 9, 2020: The Notice of Application notification process was completed, as required by Walla Walla Municipal Code 20.14.065. The Notice of Application and State Environmental Policy Act (SEPA) Environmental Checklist was circulated to the City Site Plan Review Committee (SPRC), SEPA contacts, Utility contacts and the Washington State Department of Ecology.

Comment letters were received from the following:

- Bernard Newman, Dated November 6, 2020.
- Stephen Young, Dated November 18, 2020.
- Washington State Department of Archeology and Historic Preservation, Dated November 18, 2020.
- Kip Kelly, Dated November 23, 2020.
- Washington State Department of Ecology, Dated November 24, 2020.
- Robert Mastracco, Dated November 26, 2020.
- Robert Trick, Dated November 28, 2020.
- Dorothy Knudson, Dated November 29, 2020.
- Richard L. McFarland, Dated November 29, 2020.
- Sandy Kimball, Dated November 29, 2020.
- Todd Kimball, Dated November 29, 2020.
- Peter and Denice Folsom, Dated November 30, 2020.
- John Gahbauer, Dated November 30, 2020.
- City of Walla Walla Public Works, Dated November 30, 2020.
- Walla Walla County Public Works, Dated November 30, 2020.
- Walla Walla County Board of County Commissioners, Dated November 30, 2020.
- Washington State Department of Transportation, Dated November 30, Dec. 2, 2020.

November 30, 2020: The City of Walla Walla Site Plan Review Committee (SPRC) completed the review of the preliminary plat.

April 23, 2021: Comment letter from Jim Beard.

April 27, 2021: Additional comment letter from Washington State Department of Transportation.

June 10, 2021: The City of Walla Walla SEPA Responsible Official issued a final SEPA threshold determination of a Mitigated Determination of Non-Significance (MDNS) on the proposal. The Mitigation conditions are:

1. Improvements to the west side of Lower Waitsburg Road from the north property boundary to US Highway 12 to include curb, gutter, roadway widening, storm drainage, streetlights and sidewalk.
2. Improve pedestrian connectivity by providing a connection to the adjacent multiuse path parallel to US Highway 12 at the "H Street"/"A Street" intersection between lots 175 & 176 as well as providing a second connection to the adjacent multiuse path at the southwest corner of "A Street" between lots 182 & 183.
3. Improve the trail crossing of Lower Waitsburg Road that lies between Middle Waitsburg Road and US Highway 12 by installing an advance warning sign (MUTCD sign W11-15) along southbound Lower Waitsburg Road approximately 250 feet north of the crossing. Install crosswalk striping at the crossing. Install one streetlight within 25 to 50 feet north of the trail crossing.
4. Improve pedestrian and bicycle safety: discourage crossing US Highway 12 at Lower Waitsburg Road and Clinton Street and promote safe crossing locations by posting wayfinding signs on the trail giving the distances to the nearest designated crossings, and post regulatory signs for pedestrians and bicyclists stating that crossing US Highway 12 is prohibited and noting the potential fine.
5. Dedication of right of way from the subject property (Parcel: 360717410002) adjacent to US Highway 12 to accommodate the future US Highway 12 / Lower Waitsburg Road / Clinton Street interchange.
6.
  - A. Widen Middle Waitsburg Road to a paved width of 28 feet plus 2-foot gravel shoulders on each side from the eastern limits of the road improvements completed with the Blue Mountain Estates project, east to the City-County jurisdictional line (approximately 4-feet of widening on each side of Middle Waitsburg Road).
  - B. Pre-level the existing road surface (limits noted above) and overlay with 3-inches of HMA.
  - C. Grind/overlay/inlay Blue Mountain Drive from Middle Waitsburg Road to Rainer Drive (3-inches of HMA).
  - D. Extend curb and gutter to the east property line of 619 Middle Waitsburg Road to manage drainage.
  - E. Design and construct a stormwater system to treat/manage runoff.
  - F. Design and construct illumination improvements (streetlights) to improve safety of the Middle Waitsburg Road and Blue Mountain Drive intersection.

June 25, 2021: The Notice of Public Hearing notification process was completed, as required by Walla Walla Municipal Code 20.14.085.

July 14, 2021: Additional comment letter from Richard L. McFarland.

July 15, 2021: The City of Walla Walla Hearing Examiner conducted a public hearing on the Preliminary Plat request. The hearing was open for public comment. Mr. Richard McFarland provided public testimony on the traffic impact analysis. Mr. Brian Hansen of Anderson Perry and Associates, testified on behalf of the applicant and as project engineer. The Hearing Examiner concluded the public hearing.

Click here for the complete packet:

[https://www.dropbox.com/s/699ji2yv4uxm464a/4304\\_PPL-20-0004%20Complete%20Packet%20CC.pdf?dl=0](https://www.dropbox.com/s/699ji2yv4uxm464a/4304_PPL-20-0004%20Complete%20Packet%20CC.pdf?dl=0)

Click here for a copy of the Traffic Impact Analysis and comment letters:

[https://www.dropbox.com/s/o7lt2m5i30acm14/4304\\_PPL-20-0004%20TIA%20Correspondence.pdf?dl=0](https://www.dropbox.com/s/o7lt2m5i30acm14/4304_PPL-20-0004%20TIA%20Correspondence.pdf?dl=0)

July 20, 2021: The City of Walla Walla Hearing Examiner provided a decision recommending approval of the preliminary plat.

## **POLICY ISSUES:**

Policy issues related to Subdivision and Preliminary Plat procedures are discussed in the staff report to the Hearing Examiner that is an attachment to this report.

## **PLAN COMPLIANCE:**

### **STRATEGIC PLAN:**

4.3 Encourage affordable housing and reduce homelessness.

### **COMPREHENSIVE PLAN:**

Community Character Policy 1.1 Use the land use code and design guidelines to ensure that new development reinforces and is guided by the character of existing land use patterns and the architectural attributes of the applicable character areas.

Land Use Policy 1.1 Accommodate new residential and commercial development in areas with available infrastructure and services.

Land Use Policy 1.3 Encourage infill development that provides additional housing within the city.

Land Use Policy 1.4 Review new development proposals to ensure they support the objectives of the Comprehensive Plan such as land use, transportation, community character, historic preservation, and sustainability.

Land Use Policy 3.7 Support a variety of housing types such as tiny homes, duplexes, multi-family development, cottage housing, and single family residential.

Land Use Policy 4.4 Ensure that new subdivisions and housing development retains natural qualities including topography, natural features, and native vegetation to minimize impacts to the surrounding ecosystem. Retaining or restoring riparian woody vegetation should be a priority.

Land Use Policy 5.2 Ensure that new subdivisions and housing are designed to accommodate pedestrian and bicycle access within the development and to nearby community facilities and amenities such as schools, parks, shopping areas, transit corridors, and employment centers.

Housing Policy 2.1 Integrate housing for lower and moderate-income households and those with special needs into a variety of geographical locations throughout the city.

Environment and Natural Resources Policy 1.3 Ensure that buffers are adequately defined, regulated, and controlled to limit the disturbance of vegetation and disruption of ecological function.

Transportation Policy 5.2 Create a well-connected network of streets, paths, and transit service to provide active transportation options.

Capital Facilities and Utilities Policy 2.7 Ensure that facilities and infrastructure are designed and located with consideration of their impacts on community character.

**ALTERNATIVES:**

Council can approve as recommended, add/remove/modify conditions of approval, or deny the application.

**STAFF RECOMMENDATION:**

Approve as recommended.

**CITY MANAGER COMMENTS:**

Approved for City Council action.

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**Attachments**

Res 2021-112

PPL-20-0004 HE Recommendation

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## **RESOLUTION NO. 2021-112**

A RESOLUTION APPROVING THE HARVEY RANCH ESTATES PRELIMINARY PLAT (FILE# PPL-20-0004) FOR RICHLAND 132 LLC, INVOLVING APPROXIMATELY 58 ACRES OF PROPERTY, LOCATED ON LOWER WAITSBURG ROAD.

WHEREAS, an application was made for a Preliminary Plat (File# PPL-20-0004) to the City of Walla Walla by Richland 132 LLC, for approval of the Harvey Ranch Estates Preliminary Plat of 235 residential lots with a proposed maximum of 235 new housing units, located on Lower Waitsburg Road; and

WHEREAS, the responsible official for the City of Walla Walla under Washington's State Environment Policy Act issued a Mitigated Determination of Non-Significance upon the proposal on June 10, 2021; and

WHEREAS, the City of Walla Walla Hearing Examiner, after notice and a public hearing on July 15, 2021, made findings of fact, conclusions of law and recommendations to the City Council, approval of the preliminary plat based upon certain conditions; and

WHEREAS, the Walla Walla City Council has considered the application, the environmental documents, and the recommendation made by City of Walla Walla Hearing Examiner, during a regularly and duly called public meeting of said Council, and has given careful review and consideration, and finds that good government and the best interests of the City of Walla Walla will be served by passage of this resolution.

NOW THEREFORE, the City Council of Walla Walla do resolve as follows:

**Section 1:** The Walla Walla City Councils Finds:

- A. The proposed preliminary plat is in conformance with the goals and policies of the Walla Walla Comprehensive Plan, as amended, if developed in accordance with the conditions stated herein.
- B. The proposed use and corresponding preliminary plat has been designated in accordance with the permitted uses within the Residential Comprehensive Plan Land Use classification and standards for development set forth in the City's Zoning and Subdivision code, if developed in accordance with the conditions stated herein.
- C. Appropriate provisions have been made for public health, safety, and general welfare and for such other factors enumerated in RCW 58.17.110(2)(a) if the preliminary plat is developed subject to the conditions stated herein. Public facilities, such as roads, sewer and water and other public facilities are adequate to support the use and layout of the proposed preliminary plat if developed in accordance with the conditions stated herein.
- D. The public use and interest will be served if the preliminary plat is developed in accordance with the conditions stated herein.

- E. The proposal for the preliminary plat development conforms to the policies and standards and design principles specified in Section 19.14.020 of the Walla Walla Municipal Code, if developed in accordance with the conditions stated herein.
- F. The findings of fact and recommendations of the City of Walla Walla Hearing Examiner, the Staff Report and attachments dated July 20, 2021, are hereby adopted and incorporated herein as the findings of the Walla Walla City Council with respect to the Preliminary Plat.

**Section 2:** The preliminary plat involving property commonly located on Lower Waitsburg Road and legally described as follows:

A PORTION OF ADJUSTED PARCEL "A" AND ADJUSTED PARCEL "B" OF THAT RECORD OF SURVEY RECORDED DECEMBER 8, 2020 IN BOOK 13 OF SURVEYS AT PAGE 245, LOCATED IN THE SOUTHEAST ONE-QUARTER (SE1/4) OF SECTION 17, TOWNSHIP 7 NORTH, RANGE 36 EAST, WILLAMETTE MERIDIAN, CITY OF WALLA WALLA, WALLA WALLA COUNTY, WASHINGTON, SAID PORTION BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF THE SAID SOUTHEAST ONE-QUARTER (SE1/4); THENCE S.88°17'21"W., 44.16 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY OF LOWER WAITSBURG ROAD, SAID POINT BEING THE NORTHEAST CORNER TO SAID ADJUSTED PARCEL "A", SAID POINT ALSO BEING THE TRUE POINT OF BEGINNING FOR THIS DESCRIPTION THENCE ALONG SAID RIGHT-OF-WAY S.01°31'46"E., 607.72 FEET; THENCE DEPARTING SAID RIGHT-OF-WAY S.88°23'57"W., 345.03 FEET TO A POINT OF TANGENT CURVE; THENCE AN ARC DISTANCE OF 31.39 FEET ALONG SAID TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 20.00 FEET, AND A DELTA ANGLE OF 89°55'43" TO A POINT OF TANGENT LINE; THENCE ALONG SAID TANGENT LINE S.01°31'46"E., 261.27 FEET TO A POINT OF TANGENT CURVE; THENCE AN ARC DISTANCE OF 170.58 FEET ALONG SAID TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 150.00 FEET, AND A DELTA ANGLE OF 65°09'27" TO A POINT OF TANGENT LINE; THENCE ALONG SAID TANGENT LINE S.63°37'41"W., 396.31 FEET; THENCE S.26°22'19"E., 500.00 FEET TO A POINT ON THE NORTHERLY RIGHT-OF-WAY FOR U.S. HIGHWAY 12; THENCE ALONG SAID RIGHT-OF-WAY S.63°37'41"W., 1303.53 FEET TO A POINT OF NON-TANGENT CURVE, SAID POINT HAVING A RADIAL BEARING OF N.23°37'02"W.; THENCE DEPARTING SAID RIGHT-OF-WAY THE FOLLOWING SEVEN (7) COURSES ALONG SAID ADJUSTED PARCEL "A", AN ARC DISTANCE OF 412.49 FEET ALONG SAID NON-TANGENT CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 150.00 FEET, AND A DELTA ANGLE OF 157°33'37" TO A POINT OF TANGENT LINE; THENCE ALONG SAID TANGENT LINE S.88°08'15"W., 323.04 FEET TO A POINT OF NON-TANGENT CURVE, SAID POINT HAVING A RADIAL BEARING OF N.01°10'23"E.; THENCE AN ARC DISTANCE OF 316.54 FEET ALONG SAID NON-TANGENT CURVE CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 150.00 FEET, AND A DELTA ANGLE OF 120°54'34" TO A POINT OF TANGENT LINE; THENCE ALONG SAID TANGENT LINE N.32°05'00"E., 660.95 FEET; THENCE N.41°33'00"E., 511.90 FEET TO A POINT OF TANGENT CURVE; THENCE AN ARC DISTANCE OF 1291.47 FEET ALONG SAID

TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 3276.27 FEET, AND A DELTA ANGLE OF 22°35'07" TO A POINT OF TANGENT LINE; THENCE ALONG SAID TANGENT LINE N.88°17'21"E., 522.38 FEET TO THE TRUE POINT OF BEGINNING.

**Section 3:** The Harvey Ranch Estates Preliminary Plat (File# PPL-20-0004) shall be developed in accordance with the following conditions:

- A. The applicant, developer, and owner shall comply with all the requirements of Titles 12, 13, 15, 19, 20, and 21 of the Walla Walla Municipal Code.
- B. Conditions set forth in the City of Walla Walla Public Works/ Engineering comment letter dated November 30, 2020. Requirement for a six-foot high fence on the residential lots, with no gates, adjacent to Highway 12, per the WSDOT comment letter, dated November 30, 2020, as part of Phase Three (3).
- C. Conditions set forth in the Revised SEPA Mitigated Determination of Non-Significance (MDNS) dated June 10, 2021. All traffic mitigation measures shall be completed and accepted by the City of Walla Walla prior to any final plat approach.
- D. An application for Final Plat and complete civil improvement plans must be submitted to the City within five years from Council's approval of the Preliminary Plat in accordance with Walla Walla Municipal Code 19.14.050.A and RCW 58.17.140.

**Section 4:** This resolution is the final decision of the City of Walla Walla upon this matter. Notice is hereby given that affected property owners may request a change in valuation for property tax purposes notwithstanding any program of revaluation.

**Section 5:** Notice is hereby given that appeal of the land use decision shall be barred unless a petition requesting review is filed in the Superior Court of the State of Washington and properly served within twenty-one (21) days after passage of this resolution in accordance with Chapter 36.70C of the Revised Code of Washington.

**PASSED** by the City Council of the City of Walla Walla, Washington, this 11<sup>th</sup> day of August 2021.

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Mayor

Attest:

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City Clerk

Approved as to form:

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City Attorney



CITY OF WALLA WALLA  
LAND USE HEARING EXAMINER

IN THE MATTER OF	)	RECOMMENDED FINDINGS OF
	)	FACT, RECOMMENDED
	)	CONCLUSIONS OF LAW,
<b>PPL-20-0004, SEPA File: SEP-20-0014</b>	)	RECOMMENDED DECISION AND
<b>Harvey Ranch Estates</b>	)	RECOMMENDED CONDITIONS OF
		APPROVAL

THIS application having come on for hearing in front of the City of Walla Walla Hearing Examiner on July 15, 2021, the Hearing Examiner having taken evidence hereby submits the following Recommended Findings of Fact, Recommended Conclusions of Law, Recommended Decision and Recommended Conditions of Approval as follows:

**I. RECOMMENDED FINDINGS OF FACT**

1. An application was submitted for a Preliminary Plat approval for an approximately 58 acre, 235-lot residential subdivision with a maximum of 235 housing units and associated subdivision improvements.
2. The Applicant is Richland 132, LLC, 1615 Whitely Road, Walla Walla, WA 99362.
3. Property Location and Parcel Number: Lower Waitsburg Road at the Highway 12 intersection and Middle Waitsburg Road. APN: 360717410002.
4. Adjacent Property Zoning and Land Use:

	Comprehensive Plan	Zoning	Current Land Use
<b>Project Site</b>	Residential  <i>(Note: Existing areas of designated commercial land from the 2018 City of Walla Walla Comprehensive Plan update)</i>	Neighborhood Residential	Farm field
<b>North</b>	Public Reserve and Agriculture	Public Reserve and Primary Ag 40	Golf Course and Agriculture
<b>South</b>	Residential	Neighborhood Residential	Residences

<b>East</b>	Industrial	Light Industrial/Commercial	Commercial Warehouses
<b>West</b>	Public Reserve	Public Reserve	Golf Course

5. The Applicant prepared a State Environmental Policy Act (SEPA) Environmental Checklist for review under the provisions of Walla Walla Municipal Code (WWMC) Chapter 21.08. The City of Walla Walla SEPA Responsible Official issued a final SEPA threshold of a Mitigated Determination of Non-Significance (MDNS) on June 10, 2021.
6. The Applicant originally filed a Preliminary Plat application for a 238-lot residential subdivision with a maximum of 238 housing units and associated subdivision improvements. During the review of the Traffic Impact Analysis, the subdivision was reconfigured, and the lot number decreased to 235.
7. The application is subject to a Level IV review for the Preliminary Plat approval pursuant to WWMC 20.27. The process is that a public hearing is held by the City of Walla Walla Hearing Examiner who makes a recommendation to the City Council.
8. The application was filed on October 2, 2020 and determined to be a complete application on November 3, 2020.
9. A Notice of Application was issued on November 9, 2020, with a comment period, which concluded on November 30, 2020. The Notice of Application was mailed to property owners within 400 feet of the subject property, posted on the City's website, published in the Union Bulletin, and posted on-site, as required by WWMC 20.14.065 and provided to parties that requested special notice per WWMC 20.14.0115.
10. Comment letters were received from the following:
  - 10.1 Bernard Newman, Dated November 6, 2020.
  - 10.2 Stephen Young, Dated November 18, 2020.
  - 10.3 Washington State Department of Archaeology and Historic Preservation, Dated November 18, 2020.
  - 10.4 Kip Kelly, Dated November 23, 2020.
  - 10.5 Washington State Department of Ecology, Dated November 24, 2020
  - 10.6 Robert Mastracco, Dated November 26, 2020.
  - 10.7 Robert Trick, Dated November 28, 2020.
  - 10.8 Dorothy Knudson, Dated November 29, 2020.
  - 10.9 R.L. McFarland, Dated November 29, 2020.
  - 10.10 Sandy Kimball, Dated November 29, 2020.
  - 10.11 Todd Kimball, Dated November 29, 2020.
  - 10.12 Peter and Denice Folsom, Dated November 30, 2020.
  - 10.13 John Gahbauer, Dated November 30, 2020.
  - 10.14 City of Walla Walla Public Works, Dated November 30, 2020.
  - 10.15 Walla Walla County Public Works, Dated November 30, 2020.
  - 10.16 Walla Walla County Board of County Commissioners, Dated November 30, 2020.
  - 10.17 Washington State Department of Transportation, Dated November 30, Dec. 2, 2020.
  - 10.18 Jim Beard, April 23, 2021.
  - 10.19 Washington State Department of Transportation, Dated April 27, 2021.
  - 10.20 Richard McFarland, dated July 14, 2021.

11. A Notice of Public Hearing was issued on June 25, 2021. The Notice of Public Hearing was mailed to property owners within 400 feet of the subject property, posted on the City's website, published in the Union Bulletin, and posted on-site as required by WWMC 20.14.085 and provided to parties that provided comment or requested special notice per WWMC 20.14.0115.
12. The City of Walla Walla SEPA Responsible Official issued a Mitigated Determination of Non-Significance (MDNS) on June 10, 2021. The mitigation measure required the following:
  - 12.1 Improvements to the west side of Lower Waitsburg Road from the north property boundary to US Highway 12 to include curb, gutter, roadway widening, storm drainage, streetlights and sidewalk.
  - 12.2 Improve pedestrian connectivity by providing a connection to the adjacent multiuse path parallel to US Highway 12 at the "H Street"/"A Street" intersection between lots 175 & 176 as well as providing a second connection to the adjacent multiuse path at the southwest corner of "A Street" between lots 182 & 183.
  - 12.3 Improve the trail crossing of Lower Waitsburg Road that lies between Middle Waitsburg Road and US Highway 12 by installing an advance warning sign (MUTCD sign W11-15) along southbound Lower Waitsburg Road approximately 250 feet north of the crossing. Install crosswalk striping at the crossing. Install one streetlight within 25 to 50 feet north of the trail crossing.
  - 12.4 Improve pedestrian and bicycle safety: discourage crossing US Highway 12 at Lower Waitsburg Road and Clinton Street and promote safe crossing locations by posting wayfinding signs on the trail giving the distances to the nearest designated crossings, and post regulatory signs for pedestrians and bicyclists stating that crossing US Highway 12 is prohibited and noting the potential fine.
  - 12.5 Dedication of right of way from the subject property (Parcel: 360717410002) adjacent to US Highway 12 to accommodate the future US Highway 12 / Lower Waitsburg Road / Clinton Street interchange.
  - 12.6 Widen Middle Waitsburg Road to a paved width of 28 feet plus 2-foot gravel shoulders on each side from the eastern limits of the road improvements completed with the Blue Mountain Estates project, east to the City-County jurisdictional line (approximately 4-feet of widening on each side of Middle Waitsburg Road).
    - 12.6.1 Pre-level the existing road surface (limits noted above) and overlay with 3-inches of HMA.
    - 12.6.2 Grind/overlay/inlay Blue Mountain Drive from Middle Waitsburg Road to Rainer Drive (3-inches of HMA).
    - 12.6.3 Extend curb and gutter to the east property line of 619 Middle Waitsburg Road to manage drainage.

- 12.6.4 Design and construct a stormwater system to treat/manage runoff.
- 12.6.5 Design and construct illumination improvements (streetlights) to improve safety of the Middle Waitsburg Road and Blue Mountain Drive intersection.
13. The City of Walla Walla adopted an updated comprehensive plan, Walla Walla 2040, on June 13, 2018 (Ordinance 2018-15) that included significant policy changes to address affordable housing, support a variety of housing types within residential zones, and encourage development where infrastructure exists.
  14. To implement the adopted Comprehensive Plan, Walla Walla 2040, the City of Walla Walla made significant changes to the land use and zoning code that were adopted on December 19, 2018 (Ordinance 2018-53). These changes included allowing a wider range of neighborhood compatible housing types and combining the three previous separate single-family zones to the new Neighborhood Residential zone.
  15. The Walla Walla Comprehensive Plan assigns the Residential land use designation to the subject property. As noted above, the property is located within the Neighborhood Residential (RN) zoning district. The subject property was zoned Neighborhood Residential under Ordinance 2018-53.
  16. The Neighborhood Residential zone is intended to provide for a variety of housing types such as single-family residential up to fourplexes, townhomes, cottage housing, and tiny homes that are compatible with the neighborhood characteristic. Development standards for the Neighborhood Residential zone are provided in Walla Walla Municipal Code (WWMC) 20.50.020.
  17. WWMC 20.50.020 requires a minimum net density of 4 dwelling units per acre, with no established maximum but a requirement that the variety of housing types that is allowed must be compatible with the neighborhood characteristic where the development is proposed. The neighborhood characteristic of the Blue Mountain Estates subdivision to the east are compatible with the proposed Harvey Ranch Estates.
  18. A Traffic Impact Analysis (TIA) was completed as part of the preliminary plat. Based on this TIA and subsequent correspondence with applicant's team, the mitigation measures were incorporated into the State Environmental Policy Act (SEPA) Mitigated Determination of Non-Significance.
  19. Water is provided by the City of Walla Walla and will be provided to the new lots per WWMC 19.32.030 and 19.32.050. There is an existing 16-inch water main near the intersection of Lower Waitsburg Road and Middle Waitsburg Road.
  20. Sewer is provided by the City of Walla Walla. There is an existing 10-inch near the intersection of Lower and Middle Waitsburg Road and adjacent to Highway 12. This connects with the 12-inch line prior to the Veterans Memorial Golf Course, adjacent to Highway 12.
  21. Sanitary sewers shall be extended to each lot within the development as provided by WWMC 19.32.040.

22. To promote efficient vehicular, pedestrian, and bicycle circulation, subdivisions are to be served by an interconnected street network as described in WVMC 19.30.020.F.
23. Streetlights shall be installed at all intersections/street corners, all cul-de-sac turnarounds, all substantial curves of streets of 10 degrees or more, and at mid-block locations sufficient to provide streetlight space of two hundred fifty to three hundred feet.
24. Recreational opportunities are available at the adjacent "Highway 12" bicycle and pedestrian path, Veterans Memorial Park, Veterans Memorial Swimming Pool, Veterans Memorial Golf Course and open space adjacent to Rees Avenue and Vista Terrace Park, on Cookerly Drive. Additionally, Borleske stadium and Martin Field are in the vicinity.
25. WVMC 20.50.020.E requires that no building height shall exceed 35 feet in the Neighborhood Residential zone. Impacts to views will be constrained by the height limit.
26. The Washington State Department of Archaeology and Historic Preservation submitted comments on the preliminarily plat and the Cultural Resources survey.
27. The Walla Walla Hearing Examiner conducted an open record public hearing on July 15 2021, via video teleconference.
28. The File of Record, City of Walla Walla Development Department Services Staff Report, and exhibits were received, admitted into the record and considered by the Hearing Examiner.
29. The City of Walla Walla Hearing Examiner considered all evidence within the record in rendering this recommendation.
30. The following exhibits were considered in rendering this decision:
  - 30.1 Ex. A: Application:
    - 30.1.1 Title Report
    - 30.1.2 Preliminary Plat Map
    - 30.1.3 Routes to School Map
    - 30.1.4 SEPA Checklist
    - 30.1.5 Geotechnical Engineering Report
    - 30.1.5 Traffic Impact Analysis (TIA)
    - 30.1.6 Cultural Resource Review Report
  - 30.2 Ex. B: Determination of Completeness dated November 4, 2020
  - 30.3 Ex. C: Notice of Application dated November 9, 2020
  - 30.4 Ex. D: Notice of Public Hearing dated June 25, 2021
  - 30.5 Ex. E: SEPA Mitigated Determination of Non-Significance dated June 10, 2021
  - 30.6 Ex. F: Proof of Posting/Mailing/Publishing Certificates
  - 30.7 Ex. G: Notification List
  - 30.8 Ex. H: Comment Letters
  - 30.9 Ex. I: Staff Report
  - 30.10 Ex. J: Staff Powerpoint
  - 30.11 Ex. K: City Engineer Powerpoint
  - 30.12 Ex. L: R.L. McFarland Hearing Exhibit.



31. Appearing and testifying on behalf of the applicant was Brain Hanson. Mr. Hanson testified that he was an agent authorized to appear and speak on behalf of the Applicant and property owner. He also testified that the Applicant had no objection to any of the proposed Conditions of Approval. He further testified that all lots were for single family residences.
32. The following members of the public testified at the hearing:
  - 32.1 R.L. McFarland. Mr. McFarland testified concerning Exhibit L, which he submitted and was admitted into the record. His testimony related to a plat previously approved by the City of Walla Walla, that required additional mitigation on the intersection of US 12/Lower Waitsburg Road. His testimony asked if this was still a requirement for this prior approved preliminary plat that would be enforced.
33. Any Conclusion of Law that is more correctly a Finding of Fact is hereby incorporated as such by this reference.

## **II. RECOMMENDED CONCLUSIONS OF LAW**

1. The City of Walla Walla Hearing Examiner has been granted the authority to render this recommended decision pursuant to RCW 35A.63.170 and Walla Walla Municipal Code Sections 19.14.020B and 20.27.040.
2. The proposed development has been determined to be consistent with the Goals and Policies of the Comprehensive Plan pertaining to Land Use and Housing and the Walla Walla Municipal Code if conditions of approval are implemented.
3. After review by the City of Walla Walla Engineering Department, there is adequate means for ingress and egress to all lots within the proposed preliminary plat. Additional information is included in the MDNS.
4. The development of the property will require complete street and frontage improvements, utility improvements, and applicable street trees placement and construction on the improvements to city standards. City Engineering will review civil plans for improvements.
5. Rear and front yards will provide green space and open space areas that will be required within the development for setbacks. Future construction is subject to Walla Walla Municipal Code which will limit the building height to thirty-five feet. This is the standard height limitation that is applicable to all of the Neighborhood Residential area of the City.
6. Review was completed under the State Environmental Policy Act and a Mitigated Determination of Non-Significance (MDNS) was issued. The mitigation conditions are contained within the MDNS.
7. The Walla Walla City Council has the authority to provide final approval for this preliminary plat approval.
8. Any Finding of Fact that is more correctly a Conclusion of Law is hereby incorporated as such by this reference.

### III. RECOMMENDED DECISION

Based on the above Findings of Fact and Conclusions of Law, the Hearing Examiner hereby RECOMMENDS THAT THE CITY OF WALLA WALLA **APPROVE** PPL-20-0004, SEPA File: SEP-20-0014, subject to the following Recommended Conditions of Approval.

### IV. RECOMMENDED CONDITIONS OF APPROVAL

All Conditions of Approval shall apply to the applicant, and the applicant's heirs, successors in interest and assigns.

1. Conditions set forth in the City of Walla Walla Public Works/ Engineering comment letter, dated November 30, 2020. Requirement for a six-foot high fence on the residential lots, with no gates, adjacent to Highway 12, per the WSDOT comment letter, dated November 30, 2020, as part of Phase Three (3).
2. Conditions set forth in the SEPA Mitigated Determination of Non-Significance (MDNS) dated June 10, 2021.
3. Approval of the preliminary plat is conditioned on the completion and recording of the pending boundary line adjustment (BLA) for the subject property and adjacent Harvey Ranch Inc. property. (NOTE: The BLA survey is currently being circulated for approval signatures.)
4. All traffic mitigation measures shall be completed and accepted by the City prior to any final plat approval.

Dated this 20th day of July, 2021.

CITY OF WALLA WALLA HEARING EXAMINER



Andrew L. Kottkamp





ar-4214

Pgs. 122-175

**City Council - Regular Meeting**

**Meeting Date:** 08/11/2021

**Item Title:** Public hearing for establishment of an ambulance utility

**Submitted For:** Bob Yancey, Fire/Ambulance Department

**Financial Comments:**

The Ambulance Utility Fee is projected to raise \$1.5 million annually beginning 1/1/2023.

**All Contracts:**

Not Applicable

**Federally funded contracts only:**

Not Applicable

**Construction contracts only:**

Not Applicable

**Brief Summary of Requested Action:**

The proposed Ambulance Utility Fee is a per month fee of \$12.65 added to each City of Walla Walla utility customers.

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**Information**

**HISTORY:**

The Ambulance fund has operated in the red since 2017 requiring annual General fund subsidies. For fiscal years 2021 & 2022, the General fund is expected to subsidize the Ambulance fund 1.2M annually.

City staff are proposing the implementation of an Ambulance Utility Fee beginning Jan. 1, 2023 as a sustainable model to fund ambulance services.

The City of Walla Walla Ambulance services are currently funded through a County wide EMS property levy tax at a maximum 0.50/\$1,000 assessed valuation, which is distributed to all Walla Walla County fire agencies using an agreed upon formula of 1/3 assessed valuation, 1/3 population, 1/3 run volume, as well as transport fees, State reimbursement, and support from the General Fund.

In 2019, the City contracted with FCS Group to perform a "Ambulance Cost of Service Study" due to growth in demand for Ambulance Services. Working with the FCS group, the city updated the 2019 study to reflect estimated 2023 Ambulance expense and revenue. Included in the analysis are the costs attributed to the basic infrastructure needed to respond to a single call for service which includes dispatch, labor, training, equipment, supplies, and maintenance costs. Over 80% of Fire Department time is attributed to Ambulance services.

The full cost of operating the ambulance services is \$8.3 million. Based on the FCS study,

after deducting the revenue of 3.6 million collected through the EMS levy, ambulance billing, and GEMT, the City would need to collect \$4.7 to fully fund the ambulance service beginning in 2023. The 4.7 million amounts to a \$38.71 per month fee to rate payers.

The City is not seeking to capture 100% of the 4.7 million - only 1/3 or \$1.5 million. To recoup the 1.5 million, the City is proposing a monthly fee of \$12.65 per month fee to rate payers. Ambulance transport and other services fees would stay the same.

### **POLICY ISSUES:**

RCW 35.21.766 gives cities and towns the authority to establish an ambulance service to be operated as a public utility. This includes the authority for a City Council to set and collect rates, and charges, for regulating and maintaining an ambulance utility. It also identifies the policies with regard to classifying costs and setting rates for an ambulance utility.

In July of 2011 the Washington State Legislature amended RCW 35.21.766 by eliminating the requirement that the General Fund continue to provide support to ambulance utilities at 70% of the May 2004 funding level. As a result, cities now have the freedom to decide how much support their General Fund will provide to their ambulance utility. However, a city must do the following before implanting the additional support through the Ambulance Utility Fee:

1. Hold a public hearing, preceded by at least 30 days' notice provided in each ratepayer's utility bill.
2. During the public hearing, allow for public comment and present the following information:
  - a. The utility's most recent cost of service study
  - b. A summary of the utility's current revenue sources
  - c. A proposed budget reflecting the reduced allocation of General Fund Revenues
  - d. Any proposed changes to utility rates, and
  - e. Any specific impact to the utility's level of service.

### **PLAN COMPLIANCE:**

#### **STRATEGIC PLAN:**

5.1 Long-term financial planning for the organization

5.4 Emergency Management planning and preparedness.

### **ALTERNATIVES:**

Council may elect not to implement the Ambulance Utility Fee and continue supporting EMS financially through General fund subsidies.

### **STAFF RECOMMENDATION:**

Staff recommends Council adopt the ordinance which establishes the ambulance service to be operated as a public utility.

### **CITY MANAGER COMMENTS:**

Approved for City Council action.

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### **Attachments**

FCS report 2020  
Technical Memorandum  
Ambulance Utility Fee presentation

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## **ORDINANCE NO. 2021-24**

### **AN ORDINANCE ESTABLISHING AN AMBULANCE UTILITY, SETTING RATES AND CHARGES, AND TAKING OTHER ACTION RELATED THERETO**

WHEREAS, the City of Walla Walla passed City Ordinance A-2405 on May 13, 1970 which classified the City of Walla Walla as a nonchartered code city under Title 35A of the Revised Code Washington (RCW); and

WHEREAS, RCW 35.21.766 authorizes the City of Walla Walla to operate an ambulance service as a public utility; and

WHEREAS, the City of Walla Walla has operated a regional ambulance service since the early 1970s; and

WHEREAS, the Walla Walla City Council has considered this matter during a regularly and duly called public meeting of said Council, has given this matter careful review and consideration, and finds that good government and the best interests of the City of Walla Walla will be served by passage of this ordinance,

**NOW THEREFORE, the City Council of the City of Walla Walla do ordain as follows:**

**Section 1:** The Walla Walla City Council finds that the City of Walla Walla is not served by any existing private ambulance service and the entire city is not adequately served by an existing private ambulance service.

**Section 2:** The Walla Walla City Council hereby establishes the ambulance service operated by the Walla Walla City Fire Department as a public utility.

**Section 3:** The Walla Walla City Council conducted a public hearing on August 11, 2021 after giving at least thirty (30) days advance notice in each ratepayer's utility bill prior to the hearing. The following were presented at the time of hearing, and public comment was allowed: (1) the ambulance utility's most recent cost of service study (the June 22, 2021 "Walla Walla Ambulance 2021 Utility Model Review" and the February 2020 "Ambulance Utility Cost of Service Study and Rate Analysis" prepared by FCS Group), (2) a summary of the ambulance utility's current revenue sources, (3) a proposed budget reflecting the reduced allocation of general fund revenues to the ambulance utility, (4) proposed changes to ambulance utility rates, and (5) anticipated impacts to the ambulance utility's level of service. The City Council has considered the materials presented and the public comments presented at the public hearing and hereby determines and directs that the allocation of general fund revenues to regulate, operate and maintain the ambulance service may be reduced in accordance with RCW 35.21.766(4)(e)(ii). The combined amounts allocated from the City's general fund and emergency medical service

levy funds may henceforth be less seventy percent (70%) of the total costs necessary to regulate, operate, and maintain ambulance service.

**Section 4:** The Walla Walla City Council adopts and incorporates by reference the June 22, 2021 “Walla Walla Ambulance 2021 Utility Model Review” prepared by FCS Group and the February 2020 “Ambulance Utility Cost of Service Study and Rate Analysis” prepared by FCS Group (collectively referred to herein as the Ambulance Cost of Service Study).

**Section 5:** The Walla Walla City Council has determined through the Ambulance Cost of Service Study, adopted and incorporated by section 4, the total cost necessary to regulate operate, and maintain the ambulance utility, and it has identified the total costs that are respectively attributable to availability of the ambulance service and demand placed on the ambulance utility. Total costs do not include capital cost for the construction, major renovation, or major repair of the physical plant in which the ambulance service is operated.

**Section 6:** The fee charged by the utility for ambulance service shall consist of a combination of demand cost and availability cost.

**Section 7:** The Walla Walla City Council has assessed the burdens imposed on the ambulance utility by demand costs, including costs related to frequency of calls, distances to hospitals, and other factors identified in Ambulance Cost of Service Study, adopted and incorporated by section 4, and finds that the rates and charges attributable to demand costs are set forth in section 2.98.010 of the Walla Walla Municipal Code (renumbered herein as Walla Walla Municipal Code section 2.98.030) and that they are reasonable.

**Section 8:** The Walla Walla City Council finds that availability of ambulance service is a human need, and that the existence of a City utility account is a reasonable indicator that people are regularly present at a location, because City utilities (water, sewer (a/k/a wastewater), sanitation, and recycling services) are used by people. Most City utility customers have a water account. However, some (for example those with wells on their property) have a City sewer, sanitation, and/or recycling account without a City water account. In addition, some newly annexed properties receive sanitation services from franchisee Basin Disposal Company and have a recycling account without a water, sewer, or sanitation account. The City Council therefore finds that all locations that receive any single or combination of City water, sewer, sanitation, and/or recycling service(s) are responsible for ambulance availability costs.

**Section 9:** Section 2.98.010 of the Walla Walla Municipal Code is hereby

renumbered as Walla Walla Municipal Code section 2.98.030 and amended as follows ((added terms are bolded and italicized, and removed terms are stricken)):

**2.98.030 ~~010 Schedule of Fees~~ Rates and Charges *for Ambulance Demand Costs*.**

The following fees shall be charged, per allowable CMS guidelines, on a per patient basis, for services provided by the Walla Walla ambulance service:

- A. The non-emergency BLS rate per patient for residents of Walla Walla County shall be \$758.00. The emergency BLS rate per patient for residents of Walla Walla County shall be \$796.00. The non-emergency ALS rate per patient for residents of Walla Walla County shall be \$822.00. The emergency ALS 1 rate per patient for residents of Walla Walla County shall be \$884.00. The emergency ALS 2 rate per patient for residents of Walla Walla County shall be \$962.00. Each person transported shall have added to the appropriate base fee \$12.00 per mile transported.
- B. The non-emergency BLS rate per patient for non-residents of Walla Walla County shall be \$962.00. The emergency BLS rate per patient for non-residents of Walla Walla County shall be \$1,012.00. The non-emergency ALS rate per patient for non-residents of Walla Walla County shall be \$1,074.00. The emergency ALS 1 rate per patient for non-residents of Walla Walla County shall be \$1,114.00. The emergency ALS 2 rate per patient for non-residents of Walla Walla County shall be \$1,188.00. Each person transported shall have added to the appropriate base fee \$12.00 per mile transported.
- C. All persons who are transported partway by another agency's basic life support unit, and then are intercepted and transported by a unit of the Walla Walla ambulance service with advanced life support capability, shall be charged the applicable base rate fee plus \$12.00 per mile transported.
- D. All persons to be transferred by the Walla Walla ambulance service requiring ambulance attendants to wait in excess of thirty minutes shall be charged a standby fee of \$91.00 per hour, calculated to the nearest quarter of an hour.
- E. All persons who receive more than minor treatment by Walla Walla ambulance service personnel but who are not transported by a Walla Walla ambulance service vehicle, shall be charged for all supplies used plus a service fee of \$75.00, which includes medications administered.
- F. The special event rate where ambulance service is made available on a standby basis shall be \$91.00 per hour, calculated to the nearest quarter of an hour, plus a charge for all supplies used, and plus any transport charges which may apply.
- G. Charges shall be imposed for searching and duplicating medical records in the maximum amount allowed by WAC 246-08-400, as amended.
- H. In the event of heroic actions by members of the public (such as rescuing victims from fire and providing assistance at accident scenes) which results in the hero(s) needing treatment or transport by the Walla Walla ambulance service, regularly charged fees may

be reduced or waived by the Walla Walla City Manager, Fire Chief, and designees of each, to the extent permitted by law.

I. The Walla Walla City Manager, Fire Chief, and designees of each, may settle disputed fees and charges which do not exceed \$500.00.

J. The City reserves the right to make special contracts, the provisions and conditions of which are different from and have exceptions to the regular published schedules. Notwithstanding other provisions of this chapter, the City Council may fix by resolution special ambulance service rates. Special contracts must be approved by the City and shall be in writing and signed by the City and the customer.

K. Finance charges may be imposed upon past due accounts to the extent and maximum amount allowed by law.

***L. The charges set forth herein for ambulance demand costs shall apply in addition to ambulance availability rates and charges set forth in Walla Walla Municipal Code section 2.98.050 and any other charges that may apply.***

**Section 10:** Section 2.98.010 is hereby added to the Walla Walla Municipal Code as follows:

#### 2.98.010 Ambulance utility established

The ambulance service operated by the Walla Walla City Fire Department is established as a public utility in accordance with section 35.21.766 of the Revised Code of Washington. The fee charged by the utility shall reflect a combination of the availability cost and the demand cost. Charges for ambulance availability costs are hereby imposed on every property in the City of Walla Walla that has a City utility account for water, sewer (a/k/a wastewater), sanitation, and/or recycling services.

**Section 11:** Section 2.98.020 is hereby added to the Walla Walla Municipal Code as follows:

#### 2.98.020 Definitions.

A. “Ambulance availability costs” are those costs attributable to the basic infrastructure needed to respond to a single call for service within the utility’s response criteria. Availability costs include costs for dispatch, labor, training of personnel, equipment, patient care supplies, and maintenance of equipment.

B. “Ambulance demand costs” are those costs that are attributable to the burden placed on the ambulance service by individual calls for ambulance service. Demand costs include costs related to frequency of calls, distances from hospitals, and other factors.



C. “Commercial” shall mean and/or apply to any building or group of buildings where a business or a combined residence and business is practiced, or where such business is advertised by a sign of any type on the premises and/or listed in the telephone directory as the location of a business.

D. “Industrial” shall mean and/or apply to all manufacturing and processing establishments.

E. “Multiple Dwelling” shall mean and/or apply to multiple-family dwelling units as defined in Title 20.

F. “Residential” shall mean and/or apply to all one-family and two-family dwelling units as defined in Title 20.

G. “Public” shall mean and/or apply to all city, county, state and federal institutions, schools, parks, and other publicly owned institutions, with the exception of the city of Walla Walla municipal corporation and its departments.

H. “City of Walla Walla” shall mean and/or apply to the city of Walla Walla municipal corporation and its departments and operations conducted on behalf of the city on property owned by the city.

**Section 12:** Section 2.98.040 is hereby added to the Walla Walla Municipal Code as follows:

2.98.040 Rate classifications for Ambulance Availability Costs.

The following rate classifications are established for purposes of setting and collecting charges for ambulance availability costs: (1) Commercial, (2) Industrial, (3) Multiple Dwelling, (4) Residential; (5) Public, and (6) City of Walla Walla. Rate classification determinations shall be made by the City Finance Director or a designee of the Finance Director.

**Section 13:** Section 2.98.050 is hereby added to the Walla Walla Municipal Code as follows:

2.98.050 Rates and Charges for Ambulance Availability Costs.

A monthly ambulance availability charge is hereby imposed against each property in the City that has a City utility account for water, sewer (*a/k/a* wastewater), sanitation, and/or recycling services. A location receiving more than one of those utility services shall be charged only one availability charge per location. The following monthly ambulance availability rates shall apply to each user classification:

Classification	Rate (monthly charge)
Commercial	\$12.65
Industrial	\$12.65
Multiple Dwelling	\$12.65
Residential	\$12.65
Public	\$12.65
City of Walla Walla	\$12.65

Monthly charge determinations shall be made by the City Finance Director or a designee of the Finance Director. The ambulance availability rates and charges set forth herein shall apply in addition to demand cost charges set forth in Walla Walla Municipal Code section 2.98.030 and any other charges that may apply.

**Section 14:** Section 2.98.070 is hereby added to the Walla Walla Municipal Code as follows:

2.98.070 Billing and Collecting Charges for Ambulance Availability Costs.

- A. The ambulance utility availability charges set forth in this chapter may be included in the City's combined utility bill.
- B. Delinquent charges shall bear interest at eight percent (8%) per annum computed on a monthly basis.

**Section 15:** Section 2.98.080 is hereby added to the Walla Walla Municipal Code as follows:

2.98.080 Medicaid exemption.

- A. Persons who are Medicaid eligible and who reside in a nursing facility, assisted living facility, adult family home, or receive in-home services are exempt from the monthly ambulance availability charges and the charges for demand costs.
- B. A dwelling unit is exempt from a monthly ambulance availability charge if it is occupied by a recipient of in-home services paid by Medicaid during that month. Persons claiming an exemption must notify the City Finance Department in writing on a form

prescribed by the City and provide verification. The exemption shall apply only during the months that the dwelling occupant is eligible.

C. The exemption applicable to a multi-bed nursing facility, assisted living facility, or adult family home shall be calculated by determining the ratio of the average monthly number of beds (rounded to the nearest whole number) occupied by Medicaid recipients versus the average monthly number of beds (rounded to the nearest whole number) not occupied by Medicaid recipients during the December 1 to December 1 period immediately preceding a billing year and multiplying that ratio against the monthly charge set forth in section 2.98.050. The monthly charge shall be the applicable rate multiplied by the percentage of beds not occupied by Medicaid recipients. (For example, a 10 bed facility where 3 of the beds are occupied by Medicaid recipients shall be charged 70% of the monthly availability charge). The number of exempt beds may be adjusted during the billing year upon presentation of verifiable information to the City Finance Department that the actual number of exempt beds is different than the number previously determined.

D. Exemption eligibility determinations shall be made by the City Finance Director or a designee of the Finance Director.

E. The exemption amounts and reduction amounts shall be a general expense of the utility and considered an availability cost for purposes of establishing or adjusting monthly ambulance utility availability rates and charges by ordinance.

**Section 16:** Section 2.98.090 is hereby added to the Walla Walla Municipal Code as follows:

2.98.090 Need based exemption.

A. Households that are determined to be eligible based on need consistent with Article VIII, section 7 of the Washington State Constitution may be exempted from the monthly ambulance availability charges and the charges for demand costs or charged discounted amounts.

1. A household is eligible for a need based exemption or discount if the maximum household income is at or below one hundred twenty-five percent (125%) of federal poverty guidelines.

B. A dwelling unit may be exempt from a monthly ambulance availability charge or charged a discounted amount if it is occupied by an eligible household. Persons claiming an exemption or discount must apply to the City Finance Department in writing on a form prescribed by the City and provide verification. The exemption and/or discount shall apply only if the application is approved by the City, and it may be applied either retroactively or prospectively at the discretion of the City depending upon the circumstances of the applicant. The exemption and/or discount shall apply only during

the months that the household occupying the dwelling unit is eligible.

C. Exemption and discount eligibility determinations shall be made by the City Finance Director or a designee of the Finance Director.

D. The exemption and discount amounts and reduction amounts shall be a general expense of the utility and considered an availability cost for purposes of establishing or adjusting monthly ambulance utility availability rates and charges by ordinance.

**Section 17:** Section 2.98.100 is hereby added to the Walla Walla Municipal Code as follows:

#### 2.98.100 Appeal

A. An aggrieved person may appeal a rate classification decision, monthly charge determination, and/or an exemption and/or discount denial by filing a written appeal with the City Finance Department during normal business hours.

1. An appeal of a rate classification must be filed no later than thirty (30) days from the date of mailing of the first bill that uses the rate classification.

2. An appeal of a monthly charge determination must be filed no later than thirty (30) days from the date of mailing of the first bill that uses the determination.

3. An appeal of the denial of an exemption and/or discount must be filed no later than thirty (30) days from the date of mailing of the denial.

B. Appeals of rate classification decisions and monthly charge determinations shall be decided by the City Finance Director or a designee of the Finance Director. The appeal decision shall be made in writing and mailed to the appellant at address stated in the appeal or, if none, the most recent location address on file in City utility billing records for which the appeal concerns. The appeal decision may be further appealed by filing another written appeal with the Finance Department during normal business hours no later than ten (10) days from the date of mailing of the decision. The second appeal shall be decided by the City Manager or the designee of the City Manager and shall be final. The second appeal decision shall be made in writing and mailed to the appellant at address stated in the appeal or, if none, the most recent location address on file in City utility billing records for which the appeal concerns.

C. Appeals of the rejection of an exemption and/or discount denial shall be decided by the City Manager or the designee of the City Manager and shall be final. The appeal decision shall be made in writing and mailed to the appellant at address stated in the appeal or, if none, the most recent location address on file in City utility billing records for which the appeal concerns.

D. For purposes of this section, “days” means calendar days and time shall be computed as provided in RCW 1.12.040.

**Section 18:** Section 3.25.110 of the Walla Walla Municipal Code is hereby amended as follows (added terms are bolded and italicized and removed terms are stricken):

3.25.110 Ambulance fund.

A fund is created to be known as the “ambulance fund” for revenues derived from the operation of ambulance services. ***Revenues generated by ambulance utility rates and charges may be used only for the purpose of paying for the cost of regulating, maintaining, and operating the ambulance utility. Revenues received through direct billing of individual users of the ambulance service shall be allocated to demand-related costs (i.e. those costs that are attributable to the burden placed on the ambulance service by individual calls for ambulance service).***

**Section 19:** The charges for ambulance availability costs established herein become effective on January 1, 2023 and shall remain in effect until modified or repealed by future City Council ordinance.

**Section 20:** The Walla Walla City Manager is hereby authorized to promulgate administrative rules and procedures that implement this ordinance.

**Section 21:** The City Clerk and the codifiers of this ordinance are authorized to make necessary clerical corrections to this ordinance including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

**Section 22:** If any part of this ordinance is for any reason declared or held to be invalid or unconstitutional by any court or tribunal of competent jurisdiction, such part shall be deemed a separate and distinct and independent provision and such holding shall not affect the validity of the remaining parts hereof.

**Section 23:** The City Clerk is hereby authorized to publish a summary of this ordinance in accordance with RCW 35A.13.200 and RCW 35A.12.160.

**PASSED** by the City Council of the City of Walla Walla, Washington, this 11th day of August, 2021.

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Mayor

Attest:

---

City Clerk

Approved as to form:

---

City Attorney

SUMMARY OF ADOPTION OF ORDINANCE 2021-24

AN ORDINANCE ESTABLISHING AN AMBULANCE UTILITY, SETTING RATES AND CHARGES, AND TAKING OTHER ACTION RELATED THERETO

The Walla Walla City Council passed an ordinance at its August 11, 2021 open public meeting that established the City's ambulance service as a public utility, set ambulance rates and charges, and took other action related thereto. The ordinance created an ambulance availability charge applicable to all locations in the City of Walla Walla that receive City utility services. Ambulance availability charges shall apply in addition to ambulance demand charges. The following monthly ambulance availability rates shall apply to each user classification:

Classification	Rate (monthly charge)
Commercial	\$12.65
Industrial	\$12.65
Multiple Dwelling	\$12.65
Residential	\$12.65
Public	\$12.65
City of Walla Walla	\$12.65

The charges for ambulance availability costs shall become effective on January 1, 2023 and shall remain in effect until modified or repealed by future City Council ordinance.

The full text of the ordinance summarized herein will be mailed upon request made to the Walla Walla City Clerk at Walla Walla City Hall, 15 N. Third Ave., Walla Walla, WA 99362.

Summary approved as to form

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City Attorney

# City of Walla Walla

## Ambulance Utility Cost of Service and Rate Analysis

FINAL REPORT  
February 2020

**Washington**

7525 166th Avenue NE, Ste. D215  
Redmond, WA 98052  
425.867.1802

**Oregon**

4000 Kruse Way Pl., Bldg. 1, Ste. 220  
Lake Oswego, OR 97035  
503.841.6543

**Colorado**

PO Box 19114  
Boulder, CO 80301-9998  
719.284.9168

[www.fcsgroup.com](http://www.fcsgroup.com)

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**FCS GROUP**  
Solutions-Oriented Consulting



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# CHAPTER I: INTRODUCTION

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In 2015, the City of Walla Walla contracted with FCS GROUP to perform an ambulance utility cost of service and rate study to determine the City's cost of providing emergency medical services (EMS) as part of creating an ambulance utility in addition to providing information on the cost of supporting other Walla Walla County fire districts and the adjacent City of College Place. Although the full cost recovery ambulance utility rates for 2016-19 were calculated as a part of this study, the City did not create an ambulance utility or implement any ambulance utility charges. In 2019 the City again considered creating an ambulance utility and in order to determine the rates and cost recovery objectives for the next five years (2020-24), the City contracted with FCS GROUP in September 2019 to update the previous study and provide potential rates for 2020-24. Our scope of work included:

- Developing a cost of service framework,
- Reviewing and analyzing fire department and ambulance costs and workload data,
- Identifying the customer classes and cost allocation methods for the ambulance utility,
- Calculating availability and demand rates consistent with RCW 35.21.766,
- Developing a five-year rate forecast to identify the impacts of cost increases and a forecasted increase in the number of EMS incidents, and
- Determining the full cost of service rates for the City's ambulance utility for 2019 and for 2020-2024.

The Revised Code of Washington (RCW Section 35.21.766) gives all cities and towns the authority to establish an ambulance service to be operated as a public utility. The RCW also includes the authority for a City Council to set rates and charges for regulating, operating, and maintaining an ambulance utility. It also identifies the policies on classifying costs and setting rates for an ambulance utility.

A city must also complete the following before implementing additional financial support from ambulance utility rates:

- Hold a public hearing, preceded by at least 30 days of notice provided in each ratepayer's utility bill, and
- Allow public comment during a public hearing and present the following information:
  - The utility's most recent cost of service study,
  - A summary of the utility's current revenue sources,
  - A proposed budget reflecting the reduced allocation of General Fund revenues,
  - Any proposed changes to utility rates, and
  - Any anticipated impact to the utility's level of service.

To accomplish the scope of work, FCS GROUP worked with City staff to gather and analyze the cost of service, fire and EMS response data, and customer class data. We want to thank all the City staff who participated and assisted us in gathering and analyzing data, especially Medical Coding & Compliance Specialist Jennifer Scott and Deputy Fire Chief Brad Morris.

## WALLA WALLA FIRE DEPARTMENT BACKGROUND

The Walla Walla Fire Department's (WWFD) mission is to minimize the loss of life, property, pain and suffering due to man-made, natural accidents or disasters. The Department operates two fire stations dispersed through the City and provides fire suppression, fire prevention, Advanced Life Support (ALS) and Basic Life Support (BLS) services. In addition, the WWFD provides a significant support role for other fire/EMS jurisdictions in Walla Walla County. WWFD is the primary provider of ALS and BLS services in the County except for the City of College Place which provides its own BLS services and Walla Walla County Fire District 4 which provides both ALS and BLS services.

Department staffing includes a Fire Chief, Deputy Fire Chief, two Inspectors, an EMS clerk, Medical Coding & Compliance Specialist, three Captains, five Lieutenants, four Paramedic Lieutenants, six Engineers, seventeen Firefighter Paramedics, and seven Firefighters. The Department staffs one command vehicle, two fire pumpers, and two Advanced Life Support ambulances daily with eleven on-duty personnel including at least three certified Advanced Life Support Paramedics.

The Department's 2019 budget totals \$8.8 million. Funding is accounted for in the General Fund and in its Ambulance Fund. Costs in this study were based on the 2019 year-end budget estimates provided by the City as shown in Exhibit 1. Revenues were based on the same estimates except for transport revenues which were based on actual 2019 charges and revenues received. The 2020 forecasted expenditures and revenues were based on the 2020 Preliminary Budget. In 2019, the majority of WWFD's operating expenditures are associated with personnel costs.

**Exhibit 1**  
**2019 Combined Fire & EMS Year End Expenditure Estimates**

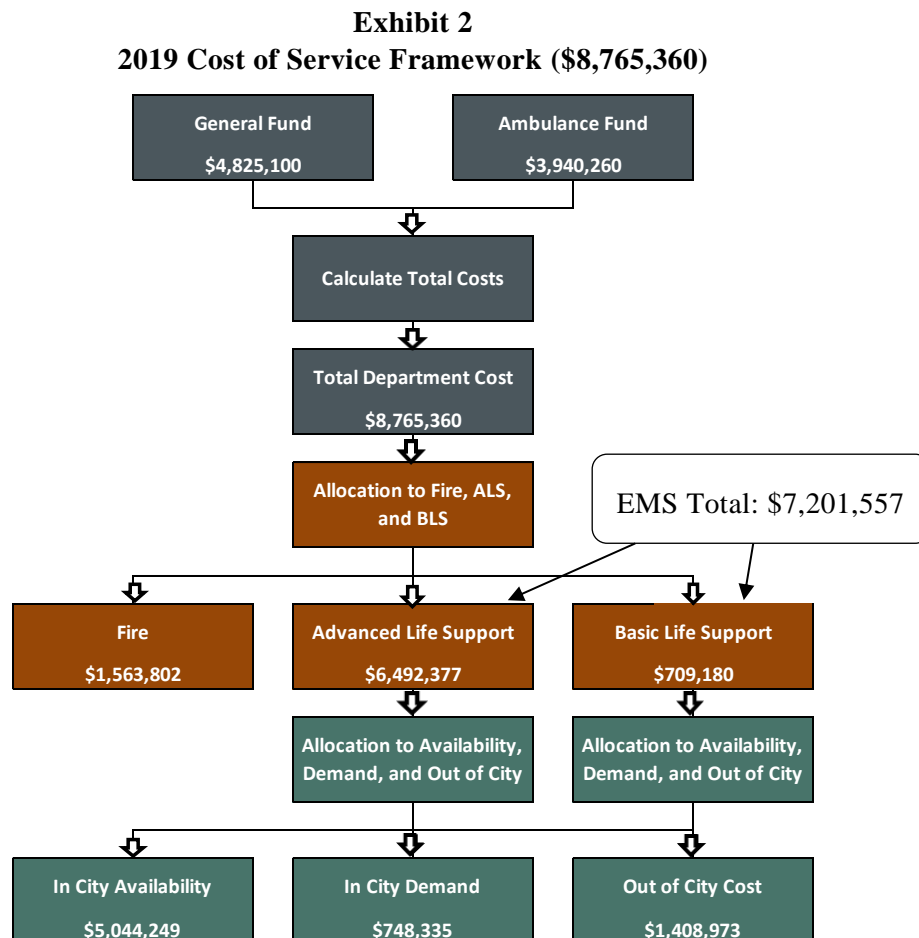
Expenditure Category	2019 General Fund Estimates	2019 Ambulance Services Estimates	Total
Personnel	\$4,256,210	\$2,543,600	\$6,799,810
Supplies & Services	\$375,050	\$351,597	\$726,647
Capital	\$147,970	\$182,730	\$330,700
Facilities	\$45,870	\$862,333	\$908,203
<b>Total</b>	<b>\$4,825,100</b>	<b>\$3,940,260</b>	<b>\$8,765,360</b>

## CHAPTER II: COST OF SERVICE ANALYSIS

As noted in Chapter I, the WWFD operates as an integrated fire and EMS department, and station personnel respond to both types of incidents. To determine the EMS and ambulance cost of service, the Department's costs must be divided between fire and EMS activities. To establish the cost of service for fire and EMS services, a two-step allocation process was used.

- First, determining the total costs associated with the City's fire and EMS services.
- Second, identifying and allocating the EMS and ambulance costs associated with ALS and BLS services, with availability and demand cost categories, and with inside City and out of City services. Availability and demand costs are defined under RCW 35.21.766. Availability costs are attributable to the basic infrastructure needed to respond to a single call for service and may include dispatch, labor, training, equipment, patient care supplies, and equipment maintenance costs. Demand costs are attributed to the burden placed on the ambulance service by individual calls, such as those associated with the frequency of calls or the distance from hospitals.

**Exhibit 2** shows the breakdown of the 2019 year-end estimated expenses among fire, ALS, and BLS services and between EMS availability and demand costs as well as Out of City costs.



## KEY ASSUMPTIONS

To establish fire and EMS costs as well as availability and demand costs, the following assumptions and allocation factors were used to allocate costs between fire and EMS/ambulance services, between ALS and BLS services, and between availability and demand for EMS services.

### Fire and EMS Labor Costs (\$6,799,810)

The total salary and benefit costs for the Department are allocated based on the time spent on fire and EMS incidents, respectively. The City provided detailed records of incidents and the staff who responded for a one-year period from October 1, 2018, to September 30, 2019. The data allowed for a time distribution to be calculated for each incident affecting both the General Fund and the Ambulance Fund depending on the staff that responded and a staff member's funding. Based on these assumptions and the analysis of the incident time data, overall labor costs were allocated 17.7% to fire (\$1,201,844), 73.9% to ALS (\$5,028,126) and 8.4% to BLS (\$569,840). The labor costs associated with EMS availability were based on the total proportion of time the staff was not responding to incidents, which were then allocated between fire and EMS based on the proportion of incident time spent. Labor costs identified for administrative positions included in the Ambulance Fund were separately identified and allocated.

### Supplies, Services, and Other Costs (\$1,965,550)

The line items for non-labor costs were also reviewed and allocated between fire and EMS services. The costs identified in the General Fund and the Ambulance Fund were allocated to fire services, EMS, and the fire prevention program using a number of different allocation factors such as square footage of facilities and allocated time. Where costs were clearly identifiable to either fire or EMS services, costs were assigned directly to the relevant service function. Based on the allocations, overall non-labor costs were allocated 18.4% to fire (or \$361,958), 74.5% to ALS (or \$1,464,251), and 7.1% to BLS (or \$139,340).

### Total Allocations to Fire, ALS, and BLS Services

Based on the cost allocation assumptions, the costs allocated by fund and services are summarized in **Exhibit 3**.

**Exhibit 3**  
**Costs Allocated to Fire and EMS Services**

Fund	Fire	ALS	BLS	Total
General Fund	\$ 1,221,826	\$ 3,183,977	\$ 419,297	\$ 4,825,100
Ambulance Fund	341,976	3,308,400	289,883	3,940,260
<b>Total</b>	<b>\$ 1,563,802</b>	<b>\$ 6,492,377</b>	<b>\$ 709,180</b>	<b>\$ 8,765,360</b>

## EMS COST OF SERVICE ANALYSIS

After allocating costs between fire and EMS services, the next step is to allocate EMS costs between availability and demand costs as well as between in City and out of City costs. Calls outside the City are generally associated with mutual aid, automatic aid calls to the City of College Place and to

neighboring fire districts. To determine availability and demand costs, the following assumptions and allocation factors were used.

- As previously mentioned, the City provided time data for each incident between October 1, 2018, and September 30, 2019. This period was selected at the time of the study because the City of College Place began serving its own BLS calls on November 1, 2018. To reflect this change, BLS calls to College Place during October 2018 were removed from the analysis to reflect an adjusted total incident time based on College Place's BLS service change.
- As previously mentioned, full time employees' time is allocated to demand when they are responding to ALS and BLS incidents. When they are not responding to incidents their availability time is allocated based on the proportion of time spent responding to fire, ALS, and BLS incidents.

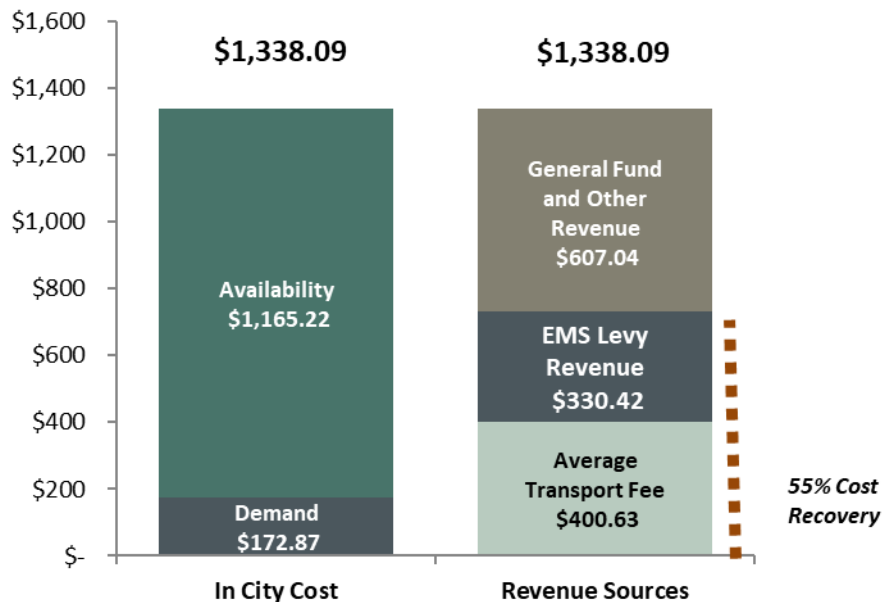
As shown in **Exhibit 2**, the City's total 2019 cost of providing advanced life support and basic life support services is about \$7.2 million. In City costs were about \$5.8 million, and Out of City costs were \$1.4 million. **Exhibit 4** below and **Appendix B** provide more detail about how individual costs were allocated between availability and demand costs.

**Exhibit 4**  
**Allocation of EMS Costs to Availability and Demand by Fund**

	General Fund	Ambulance Fund	Total
Inside City Availability	\$ 2,523,167	\$ 2,521,082	\$ 5,044,249
Inside City Demand	375,132	373,202	748,335
Out of City Availability	613,729	613,222	1,226,950
Out of City Demand	91,246	90,777	182,023
<b>Total</b>	<b>\$ 3,603,274</b>	<b>\$ 3,598,283</b>	<b>\$ 7,201,557</b>

Based on these allocations, the average cost per EMS incident can be calculated. In 2019 WWFD responded to a total of 5,223 EMS incidents (4,329 inside the City). For all In City EMS incidents, the estimated average 2019 cost per EMS incident is about \$1,338 (\$5,792,584/4,329). In 2019, the City estimated a total of \$3.6 million in EMS related revenue. This mostly comes from two major sources: transportation revenue (charges for service) totaling \$2,037,329 and the City's portion of Walla Walla County's existing EMS levy at \$1,500,000. The remaining revenues consist of miscellaneous charges. By dividing the 2019 actual In City transport revenue (\$1,734,312) by the total number of In City incidents, the average In City transportation revenue per incident is calculated at \$400.63, and another \$330.42 per incident is funded by Walla Walla County's EMS levy. The remaining costs are effectively subsidized by the City's General Fund. **Exhibit 5** shows the average In City EMS cost per incident compared to the average 2019 transport fee reimbursement and other funding per incident. Overall, the average cost recovery is about 55% per incident if EMS levy funds are included.

**Exhibit 5**  
**2019 Estimated Average In City Cost and Revenue per EMS Incident**



## OUT OF CITY ANALYSIS

The City currently provides EMS services to District 1 (Clyde), District 2 (City of Waitsburg), District 3 (Eureka/Jubilee), District 4, District 5 (Burbank), District 6 (Touchet), District 7 (Prescott), District 8 (Dixie), and the City of College Place. **Exhibit 6** displays the proportion of Out of City costs for each jurisdiction based on the percentage of time the City spent responding to Out of City incidents. The 2019 cost recovery is based on the actual revenues charged and received from each jurisdiction's incidents for write-offs, transport, and mileage revenues.

In addition to the revenues associated with the transported incidents, the City also receives \$1,500,000 in funding from a Countywide EMS levy as previously mentioned. The formula for the Walla Walla County EMS levy distribution, which has been used since the levy started, divides the total annual revenue into three equal parts. Each part is then allocated to each jurisdiction using three factors: assessed valuation, population, and number of EMS incidents. The three parts are allocated to the various jurisdictions based on their proportion of the total in each category. Two of these factors are related only to the City and are thus allocated entirely to In City costs. However, for the City's allocation of EMS incident revenue, 16.43% of the EMS incidents used in the formula were for Out of City jurisdictions. As a result, \$82,165 or 16.43% of the incident portion of the City's EMS levy revenue was reallocated to the Out of City jurisdictions. The additional revenue for Out of City jurisdictions was distributed to each jurisdiction based on the number of their incidents.

It has been previously suggested that the Out of City jurisdictions should receive credit for any additional levy funding that is more than what the City contributes. However, because the levy funding formula has been previously agreed to by the various jurisdictions (based equally on assessed value, population, and incidents), the following analysis is based only on allocating the additional funding associated with Out of City EMS incidents. It should also be noted that when County residents from outside the City are served inside the City, the EMS levy funding is helping to offset the cost of the service to those non-Walla Walla City residents. Because the City of Walla



Walla is the County's central city and county seat, non-City residents are more likely to come to the City to work, shop, and conduct business. So, the City's levy funding not only supports the incidents outside of the City, but also supports the cost of providing services to County residents who are involved in incidents within the City limits. If the funding formula was based only on what is contributed (i.e. based on assessed value) even when a jurisdiction is not directly providing EMS services, the funding distribution might be quite different, not just for the City but for all the other jurisdictions too. This might also impact their ability to pay for their services as well as pay the City for the services provided to them. WWFD did not respond to any incidents in District 5 over the study period, and because no costs were associated with it, it has been excluded from the following exhibits.

**Exhibit 6**  
**2019 Out of City Cost of Service and Cost Recovery**

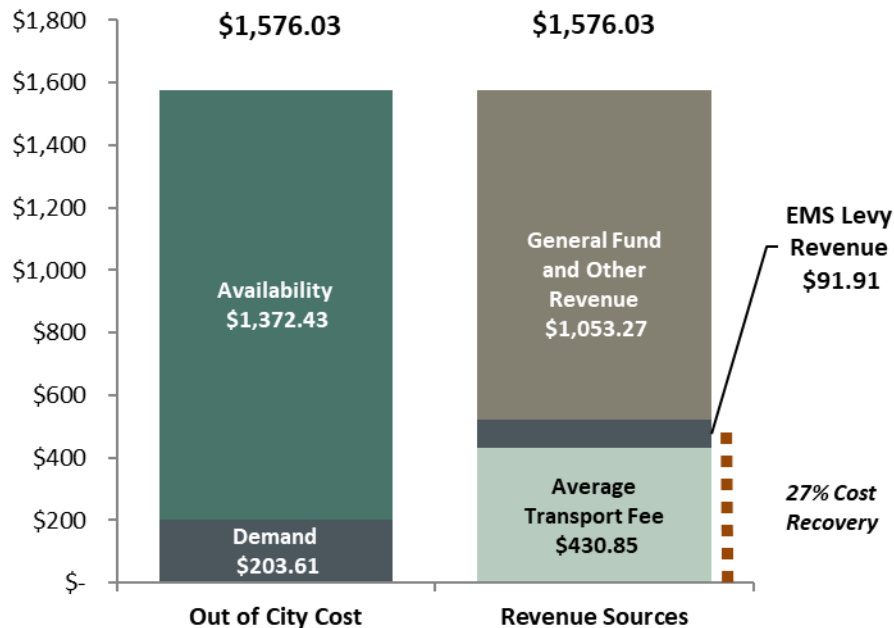
	District 1 (Clyde)	District 2/City of Waitsburg	District 3 (Eureka / Jubilee)	District 4	District 6 (Touchet)	District 7 (Prescott)	District 8 (Dixie)	City of College Place	Pick Up Outside WW County	UMATILLA COUNTY	Total
<b>Costs per Jurisdiction</b>	<b>\$ 16,059</b>	<b>\$ 140,464</b>	<b>\$ 42,929</b>	<b>\$ 520,364</b>	<b>\$ 113,828</b>	<b>\$ 92,939</b>	<b>\$ 60,760</b>	<b>\$ 416,605</b>	<b>\$ -</b>	<b>\$ 5,026</b>	<b>\$ 1,408,973</b>
Availability Cost - EMS	\$ 13,984	\$ 122,317	\$ 37,383	\$ 453,139	\$ 99,123	\$ 80,933	\$ 52,910	\$ 362,785	\$ -	\$ 4,377	\$ 1,226,950
Demand Cost - EMS	\$ 2,075	\$ 18,146	\$ 5,546	\$ 67,225	\$ 14,705	\$ 12,007	\$ 7,849	\$ 53,821	\$ -	\$ 649	\$ 182,023
<b>Revenue per Jurisdiction</b>	<b>\$ 2,531</b>	<b>\$ 29,941</b>	<b>\$ 9,687</b>	<b>\$ 88,634</b>	<b>\$ 29,839</b>	<b>\$ 30,850</b>	<b>\$ 22,827</b>	<b>\$ 169,237</b>	<b>\$ -</b>	<b>\$ 1,636</b>	<b>\$ 385,183</b>
ALS Revenues	1,524	33,048	11,913	38,862	26,711	23,070	16,131	206,727	-	1,188	359,175
BLS Revenues	-	7,164	1,228	6,218	10,152	16,836	9,168	50,694	-	-	101,460
Treatment - No Transport	-	150	-	300	75	-	-	450	-	-	975
Life Flight Contract Billing	-	-	-	30,040	-	-	-	-	-	-	30,040
Out of City portion of EMS Levy	258	6,195	1,807	29,511	6,453	3,872	3,441	30,457	-	172	82,165
Federal/State Adjustments and Bad Debt Write-Off	-	(25,868)	(7,056)	(17,454)	(16,807)	(17,644)	(11,117)	(130,028)	-	-	(225,974)
Balance Pending	749	9,253	1,795	1,158	3,255	4,716	5,203	10,937	-	276	37,342
<b>Net Cost of Service to City</b>	<b>\$ (13,527)</b>	<b>\$ (110,522)</b>	<b>\$ (33,242)</b>	<b>\$ (431,730)</b>	<b>\$ (83,989)</b>	<b>\$ (62,089)</b>	<b>\$ (37,933)</b>	<b>\$ (247,369)</b>	<b>\$ -</b>	<b>\$ (3,390)</b>	<b>\$ (1,023,791)</b>

The City is not recovering its Out of City costs from any jurisdiction, and District 4 has the highest subsidy. The total Out of City cost not recovered through transport revenues and the EMS levy funds is \$1,023,791. Compared to the previous ambulance cost of service study based on 2015 incidents, District 4 and College Place are now providing their own EMS and ambulance services. Starting in March 2019, District 4 began providing both ALS and BLS services, while College Place began providing BLS services in November 2018. College Place's costs have significantly been reduced, while District 4's costs have significantly increased because the District's calls now represent a greater proportion of the calls compared to College Place and the other jurisdictions. Incidents from the other jurisdictions also now represent a larger proportion of the calls and costs. Although District 4 is using its own EMS units, the District has the City's units dispatched simultaneously to assist, if necessary. However, out of the 325 dispatched calls involving the City for District 4, 152 or 46% were eventually cancelled because the City units were not needed. These cancelled dispatched calls are included as part of District 4's availability and demand costs because the City's units must be available and must still respond.

The average transport revenue received for Out of City calls was \$430.85. Most of the City's EMS levy revenue was allocated to In City costs as previously discussed, and the average levy revenue recovery for Out of City costs is only \$91.91 per incident. However, the higher cost of providing service to outlying areas of the County means that the General Fund subsidy per call is slightly over \$1,000 compared to \$607 for In City calls. This results in a cost recovery of 27% per incident compared to 55% for In City incidents.



**Exhibit 7**  
**2019 Average Cost per Out of City Incident**



## City Financial Impacts

As described previously, the City's cost of providing services to the Out of City jurisdictions is about \$1.4 million, but with transport revenues and additional Countywide EMS levy funds, the net cost to the City is slightly over \$1 million. The Out of City jurisdictions do not contribute any direct funding to the City to provide EMS services, and thus the City must primarily rely on the fees and the EMS levy to help offset the cost of services provided. If the jurisdictions decide not to reimburse the City for the unreimbursed costs, the City would need to use its own funds to offset the unreimbursed costs of providing Out of City EMS services or stop providing the services and let the jurisdictions provide their own EMS and ambulance services. If the City stops providing the services, the City's capacity and staffing cannot be reduced because the City's current labor contract with the local firefighter's union requires an eleven person minimum staffing level and because the City might still need the same staffing to maintain the City's level of service and to accommodate growth. Any changes would require negotiations with the union.

## CHAPTER III: RATE ANALYSIS

Once the overall 2019 cost of service and the availability and demand costs were identified, the next step was to determine the availability and demand rates for 2019. RCW 35.21.766 establishes the following rate principles:

- Availability costs must be uniformly applied across all user classifications,
- Demand costs must be based on each user classification's burden on the utility,
- Transport revenues must be allocated against demand costs,
- The costs for exemptions or reductions are a general expense of the utility and are designated as an availability cost to be spread uniformly across the utility user classifications,
- Medicaid eligible persons who reside in a nursing home, boarding home or adult family home, or who receive in-home services are exempt,
- Designated classes consistent with Article VIII, Section 7 of the State Constitution may be exempt from or have reduced rates,
- Total costs shall not include capital costs for the construction, major renovation, or major repair of the physical plant, and
- Revenues generated by the rates and charges must be deposited in a separate fund or funds and be used only for the purpose of paying for the cost of regulating, maintaining, and operating the ambulance utility.

### CUSTOMER CLASSES

To determine rates, the total number of customers and billing units in the City needed to be identified. Because the City does not have an ambulance utility, the City decided to use existing rate classifications for its stormwater and sewer utilities as a baseline for this study. This means that there is no separate customer classification for nursing homes, which by their nature can be responsible for a relatively higher number of calls for service. In the future, the City should break out the number of customers and billing units for this classification. **Exhibit 8** shows the City's existing customer classes by type and the corresponding number of billing units.

**Exhibit 8**  
**Number of Inside City 2019 Customers by Class**

Customer Class	Regular	Percent of Billing Units
Commercial	658	5%
Industrial	3	0%
Multiple Dwelling	2,487	21%
Residential	8,845	73%
Public	30	0%
City of Walla Walla	19	0%
<b>Total</b>	<b>12,042</b>	<b>100%</b>

To understand how the various customer classes impact the demand for EMS and ambulance services, **Exhibit 9** shows the number and percentage of calls and the time spent for each customer

class based on the In City incidents for the one year period October 1, 2018 through September 30, 2019.

**Exhibit 9**  
**2019 Estimated Incidents and Time by Customer Class**

Customer Class	Regular Calls	Percentage of Regular Calls	Time (hours)	Percentage of Time
Commercial	1,698	39.6%	3,104	41.8%
Industrial	0	0.0%	0	0.0%
Multiple Dwelling	701	16.4%	1,108	14.9%
Residential	1,206	28.2%	2,036	27.4%
Public	261	6.1%	553	7.4%
City of Walla Walla	417	9.7%	629	8.5%
<b>Total</b>	<b>4,283</b>	<b>100%</b>	<b>7,430</b>	<b>100%</b>

Based on the time spent serving each customer class, the total In City demand cost was about \$750,000 (as shown in **Exhibit 4**). This can then be compared to the actual transportation revenues received to calculate each customer class' net demand cost as shown in **Exhibit 10**.

**Exhibit 10**  
**Net Demand Cost by Customer Class**

Customer Class	Demand Cost	Actual Revenue	Net Demand Cost
Commercial	\$ 312,618	\$ 610,889	\$ (298,270)
Industrial	-	-	-
Multiple Dwelling	111,552	260,485	(148,933)
Residential	205,081	379,199	(174,117)
Public	55,722	65,867	(10,144)
City of Walla Walla	63,360	153,189	(89,828)
<b>Total</b>	<b>\$ 748,335</b>	<b>\$ 1,469,628</b>	<b>\$ (721,294)</b>

As can be seen, the net demand cost is negative for every customer class except for the Industrial class, which had no responses within the City. This means that the City receives more revenue from each In City incident than the demand cost of serving that incident. Because of this, no customer class is subject to a separate demand charge where each customer class might be charged at a different rate. Instead, all billing units will be charged the same rate just for the availability charge. It should be noted that the reasons for the net negative demand costs are that the RCW requires the transport fees be credited to demand costs and that when calculating the fees to be charged, the full cost of service is often used, which includes availability costs.

## AVAILABILITY AND DEMAND RATES

**Exhibit 11** shows the adjusted availability and demand costs based on a full recovery of In City costs through rates without any General Fund subsidy. With estimated 2019 year-end In City EMS revenues of about \$3.2 million, the City is supporting its EMS services with about \$2.6 million in General Fund support.

**Exhibit 11**  
**2019 Estimated In City Adjusted Availability and Demand Costs**

Ambulance Utility Revenue Requirement		Availability	Demand	Total
Annual In City Cost		\$ 5,044,249	\$ 748,335	\$ 5,792,584

Offsetting Revenues		Availability	Demand	Total
429.000.33404.9000	Dpt Of Health-Trauma Care	-	1,260	1,260
429.000.33826.0000	WW County Dept EMS Levy	1,417,835	-	1,417,835
ALS Revenues			1,372,235	1,372,235
BLS Revenues			1,366,341	1,366,341
Treatment - No Transport			2,025	2,025
Life Flight Contract Billing			900	900
Balance Pending			232,994	232,994
429.000.34261.7000	Admin Fees - Copies	1,230	-	1,230
429.000.34261.7500	Other Fees & Charges	4,950	-	4,950
429.000.34264.0000	Ambulance Fee Collectable	35,000	(975)	34,025
Federal/State Adjustments		-	(1,215,357)	(1,215,357)
429.000.36140.0000	AR collection fees & interest	2,000	-	2,000
429.000.36990.0000	Miscellaneous	-	-	-
Bad Debt Write-Off		-	(24,826.52)	(24,827)
<b>Total Revenue</b>		\$ 1,461,015	\$ 1,734,597	\$ 3,195,611

<b>Adjusted Cost</b>		\$ 3,583,234	\$ (986,262)	\$ 2,596,972
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To determine the monthly rate, the adjusted cost of In City EMS services is divided by the number of billing units to determine the full cost monthly rate each billing unit would be charged as shown in **Exhibit 12**. Because there is no demand charge, all billing units are charged the same monthly rate, regardless of customer class.

**Exhibit 12**  
**2019 Annual Charge per Billing Unit for In City Costs**

Customer Class	Monthly	Annual
Commercial	\$ 17.97	\$ 215.66
Industrial	\$ 17.97	\$ 215.66
Multiple Dwelling	\$ 17.97	\$ 215.66
Residential	\$ 17.97	\$ 215.66
Public	\$ 17.97	\$ 215.66
City of Walla Walla	\$ 17.97	\$ 215.66

If the Out of City subsidy of \$1,023,791 is included, the annual charge per billing unit would increase by \$7 per month as shown in **Exhibit 13**.

**Exhibit 13**  
**2019 Annual Charge per Billing Unit (including Out of City subsidy)**

Rate Schedule	2019 Calculated
Commercial	\$ 25.06
Industrial	\$ 25.06
Multiple Dwelling	\$ 25.06
Residential	\$ 25.06
Public	\$ 25.06
City of Walla Walla	\$ 25.06

## CHAPTER IV: FIVE YEAR FORECAST

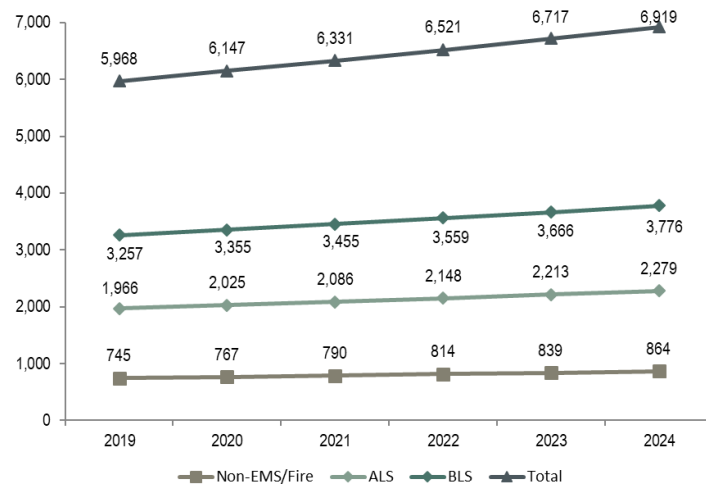
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As part of this study, the City wanted to identify the potential rate impacts over a five-year financial planning period. Using the 2019 estimated year end budget as a base year, the expected costs and revenues of providing EMS services for 2020-2024 were forecasted. The following assumptions were made to create the forecasts:

- Based on the September 2019 Washington State Economic Forecast Seattle Consumer Price Index, costs are projected to inflate at 2.2% per year throughout the study period.
- Based on the same source, salaries and benefits are projected to increase by 3.5% in 2021, 3.7% in 2022, 3.8% in 2023, and 3.8% in 2024.
- Based on the previous study's assumptions, single family accounts were forecast to grow at 0.9% annually, while multi-family accounts were forecast to grow at 1.6% annually.
- The 2019 incident totals are based on the incidents that were dispatched during 2019. Total incidents are forecasted to increase 3.0% annually to 6,919 in 2024. Both fire and EMS incidents are projected to increase 3.0% annually. This is based on the recently completed ESCI consolidation study and assumes that no other jurisdictions besides College Place and District 4 decide to provide their own ALS or BLS services.
- City transport revenues are calculated for the entire period using the average \$623 reimbursement per actual transport.
- As required by the RCW, the forecasted costs do not include capital costs for the construction, major renovation, or major repair of the stations.
- Revenue from ALS/BLS incidents grows with the projected number of incidents, while other Ambulance Fund revenues are held constant. Actual fees were held constant throughout the forecast period.
- This analysis assumes the City continues to be dispatched to District 4 calls simultaneously despite having many responses being canceled in route or at the scene.

**Exhibit 14** shows the Department's projected incident growth from 2019-2024.

**Exhibit 14**  
**Projected Incident Growth**

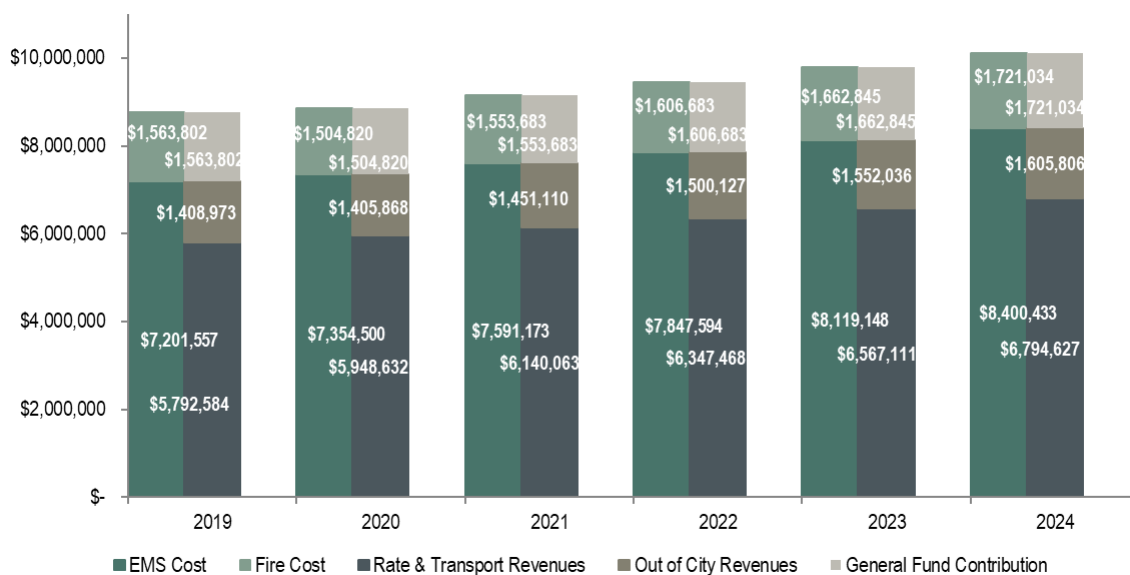


## FULL COST RECOVERY PROJECTIONS

For the 2019 baseline or status quo scenario, the full cost of providing EMS services is recovered primarily through rates, transport revenue, and the County levy. As previously noted, the 2019 In City rate revenue requirement was estimated at about \$2.6 million which (when combined with other revenue sources) would cover the full cost of providing EMS services inside the City. Another \$1 million in rate revenue is needed to offset the unreimbursed costs related to Out of City services.

**Exhibit 15** shows the annual combined cost of EMS and fire service for both in City and Out of City services based on the current staffing configuration and incidents and compares that to forecasted revenues and the required General Fund for fire services.

**Exhibit 15**  
**Combined Cost of EMS and Fire Service Forecast**



**Exhibit 16** summarizes the In City annual expenses and revenues related to availability and demand through the five-year forecast as well as the calculation of the rate revenue requirement.

**Exhibit 16**  
**In City Expense and Revenue Forecast**

	2019		2020		2021		2022		2023		2024	
	Availability	Demand	Availability	Demand	Availability	Demand	Availability	Demand	Availability	Demand	Availability	Demand
Expenses	\$5,044,249	\$748,335	\$5,204,920	\$743,713	\$5,358,284	\$781,779	\$5,524,330	\$823,138	\$5,699,524	\$867,588	\$5,879,808	\$914,819
General Fund Support	-	-	-	-	-	-	-	-	-	-	-	-
Net Transportation Revenue	-	1,734,597	-	1,136,317	-	1,229,974	-	1,279,435	-	1,330,380	-	1,382,854
WW County EMS Levy	1,417,835	-	1,417,835	-	1,417,835	-	1,417,835	-	1,417,835	-	1,417,835	-
Miscellaneous Revenue	43,180	-	79,180	-	79,180	-	79,180	-	79,180	-	79,180	-
Net Expenses	\$3,583,234	(\$986,262)	\$3,707,905	(\$392,605)	\$3,861,269	(\$448,195)	\$4,027,315	(\$456,298)	\$4,202,509	(\$462,793)	\$4,382,793	(\$468,034)
Rate Revenue Required	\$2,596,972		\$3,315,300		\$3,413,074		\$3,571,018		\$3,739,716		\$3,914,759	
Total Billing Units	12,042		12,229		12,420		12,613		12,809		13,008	
Annual Rate	\$215.66		\$271.10		\$274.82		\$283.13		\$291.96		\$300.94	
Monthly Rate	\$17.97		\$22.59		\$22.90		\$23.59		\$24.33		\$25.08	

Billing revenue continues to exceed demand expenses so there is no demand charge levied. Thus, all billing units are charged the same monthly rate. As stated previously, the full cost recovery rate for In City services is \$17.97 per month in 2019. This increases by about \$4.62 per month in 2020 because the WWFD expects a substantial reduction in GEMT revenue in 2020 due to the end of GEMT payback revenues. These lower budgeted GEMT revenues are the basis for future projections beyond 2020. Between 2021 and 2024, the monthly rate increases by \$0.31 to \$0.75 per year because expenditure inflation outpaces the rate of growth in the number of new accounts added.

## SUMMARY

If the City decides to establish an ambulance utility, the rate revenues will allow the City to offset all or some of its costs for providing In City EMS and ambulance services. Currently, the City's General Fund is supporting the City's EMS services within the City as well as in areas outside of the City in neighboring Walla Walla County jurisdictions. The City does not have to charge ambulance utility rates that fully recover its costs and can continue to subsidize its services with its General Fund as it is doing now. However, any marginal revenue from a new ambulance utility might allow the City to support additional WWFD needs or redirect General Fund resources to other City needs.

However, the City must still consider how it should handle its unreimbursed costs associated with EMS incidents outside of the City. Although the City of College Place now serves its own BLS incidents and District 4 provides both ALS and BLS services, the City continues to serve neighboring jurisdictions at a substantial subsidy compared to the actual cost of providing EMS services. If it wants to reduce its net costs for providing EMS services outside of the City, the City has a number of options. As part of these options, the City might want to take into account the financial capacity of the jurisdiction to pay (i.e. does the jurisdiction have additional taxing capacity or other revenue sources such as EMS levy funds to pay for the services) and whether the jurisdiction's residents contribute in other ways to the City's General Fund, such as working in the City, owning businesses, or owning property in the City limits. Options include any of the following options:

- Incorporate the subsidized costs in the ambulance utility rate,
- Negotiate with the fire districts and the City of College Place to pay all or some of the unsubsidized costs,
- Propose changes to the methodology for distributing the County EMS levy funds, and/or
- As a last resort, consider eliminating EMS services to jurisdictions unwilling to contribute to the cost of serving their residents and visitors and also consider eliminating the simultaneous dispatches with District 4.

# APPENDIX A – FIRE AND EMS COST OF SERVICE

010.121 Fire Administration	2019 Adjusted Appropriation	Toggle	Allocation Method	Fire	ALS	BLS	Total
010.121.52210.1110 Salaries, Wages	\$ 102,240	9	Time Allocation (GF)	\$ 13,905	\$ 78,052	\$ 10,282	\$ 102,240
010.121.52210.1220 Vacation Buyback	\$ 480	9	Time Allocation (GF)	\$ 65	\$ 366	\$ 48	\$ 480
010.121.52210.1225 Sick Cash Out	\$ 100	9	Time Allocation (GF)	\$ 14	\$ 76	\$ 10	\$ 100
010.121.52210.1710 Longevity	\$ 360	9	Time Allocation (GF)	\$ 49	\$ 275	\$ 36	\$ 360
010.121.52210.2110 Pension-Retirement	\$ 7,570	9	Time Allocation (GF)	\$ 1,030	\$ 5,779	\$ 761	\$ 7,570
010.121.52210.2120 Deferred Compensation	\$ 2,270	9	Time Allocation (GF)	\$ 309	\$ 1,733	\$ 228	\$ 2,270
010.121.52210.2210 Industrial Insurance PR	\$ 110	9	Time Allocation (GF)	\$ 15	\$ 84	\$ 11	\$ 110
010.121.52210.2215 Industrial Insurance JE	\$ 400	9	Time Allocation (GF)	\$ 54	\$ 305	\$ 40	\$ 400
010.121.52210.2310 Medical Insurance	\$ 19,130	9	Time Allocation (GF)	\$ 2,602	\$ 14,604	\$ 1,924	\$ 19,130
010.121.52210.2311 Life Insurance	\$ 120	9	Time Allocation (GF)	\$ 16	\$ 92	\$ 12	\$ 120
010.121.52210.2410 Social Security	\$ 3,150	9	Time Allocation (GF)	\$ 428	\$ 2,405	\$ 317	\$ 3,150
010.121.52210.2500 WA State Paid Family & Medical Leave	\$ 140	9	Time Allocation (GF)	\$ 19	\$ 107	\$ 14	\$ 140
010.121.52210.3110 Office Supplies	\$ 8,600	9	Time Allocation (GF)	\$ 1,170	\$ 6,565	\$ 865	\$ 8,600
010.121.52210.3117 Office Furniture < \$5,000	\$ 6,300	9	Time Allocation (GF)	\$ 857	\$ 4,810	\$ 634	\$ 6,300
010.121.52210.3160 Maintenance, Repair of Building	\$ 3,500	5	Square Feet	\$ 1,731	\$ 1,590	\$ 179	\$ 3,500
010.121.52210.3513 Computer Hardware < \$5,000	\$ 2,000	9	Time Allocation (GF)	\$ 272	\$ 1,527	\$ 201	\$ 2,000
010.121.52210.4110 Professional Services	\$ 61,005	9	Time Allocation (GF)	\$ 8,297	\$ 46,573	\$ 6,135	\$ 61,005
010.121.52210.4113 Contractual Services	\$ 29,910	1	All to Fire	\$ 29,910	\$ -	\$ -	\$ 29,910
010.121.52210.4210 Telephone	\$ 8,700	9	Time Allocation (GF)	\$ 1,183	\$ 6,642	\$ 875	\$ 8,700
010.121.52210.4510 Copier Lease	\$ 1,700	9	Time Allocation (GF)	\$ 231	\$ 1,298	\$ 171	\$ 1,700
010.121.52210.4525 Maintenance HW, SW	\$ 29,370	9	Time Allocation (GF)	\$ 3,995	\$ 22,422	\$ 2,954	\$ 29,370
010.121.52210.4710 Heat, Light, Power	\$ 13,000	5	Square Feet	\$ 6,429	\$ 5,906	\$ 665	\$ 13,000
010.121.52210.4720 Water Service	\$ -	1	All to Fire	\$ -	\$ -	\$ -	\$ -
010.121.52210.4913 Association Dues	\$ 3,500	9	Time Allocation (GF)	\$ 476	\$ 2,672	\$ 352	\$ 3,500
010.121.52210.9118 GIS Charges	\$ 7,000	9	Time Allocation (GF)	\$ 952	\$ 5,344	\$ 704	\$ 7,000
010.121.52210.9410 Vehicle Replacement	\$ 6,090	9	Time Allocation (GF)	\$ 828	\$ 4,649	\$ 612	\$ 6,090
010.121.52210.9411 Vehicle Admin Charges	\$ 590	9	Time Allocation (GF)	\$ 80	\$ 450	\$ 59	\$ 590
010.121.52210.9510 Vehicle Oper & Maint	\$ 6,000	9	Time Allocation (GF)	\$ 816	\$ 4,581	\$ 603	\$ 6,000
010.121.52210.9511 Vehicle & Equipment Fuel	\$ 1,700	9	Time Allocation (GF)	\$ 231	\$ 1,298	\$ 171	\$ 1,700
				\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -
<b>Fire Administration Budget Total:</b>	<b>\$ 325,035</b>			<b>\$ 75,965</b>	<b>\$ 220,205</b>	<b>\$ 28,865</b>	<b>\$ 325,035</b>



010.122 Suppression	2019 Adjusted Appropriation	Toggle	Allocation Method	Fire	ALS	BLS	Total
010.122.52220.1110 Salaries, Wages	\$ 2,120,070	9	Time Allocation (GF)	\$ 288,344	\$ 1,618,512	\$ 213,214	\$ 2,120,070
010.122.52220.1210 Overtime	\$ 400,000	9	Time Allocation (GF)	\$ 54,403	\$ 305,370	\$ 40,228	\$ 400,000
010.122.52220.1220 Vacation Buyback	\$ 30,000	9	Time Allocation (GF)	\$ 4,080	\$ 22,903	\$ 3,017	\$ 30,000
010.122.52220.1225 Sick Cash Out	\$ 10,000	9	Time Allocation (GF)	\$ 1,360	\$ 7,634	\$ 1,006	\$ 10,000
010.122.52220.1240 Kelley Days Buyback	\$ 34,000	9	Time Allocation (GF)	\$ 4,624	\$ 25,956	\$ 3,419	\$ 34,000
010.122.52220.1720 Paramedic Longevity	\$ 6,070	9	Time Allocation (GF)	\$ 826	\$ 4,634	\$ 610	\$ 6,070
010.122.52220.1730 Education Incentive	\$ 44,320	9	Time Allocation (GF)	\$ 6,028	\$ 33,835	\$ 4,457	\$ 44,320
010.122.52220.1740 Medical Incentive	\$ 18,740	9	Time Allocation (GF)	\$ 2,549	\$ 14,307	\$ 1,885	\$ 18,740
010.122.52220.1750 Assigned Position Pay	\$ -	9	Time Allocation (GF)	\$ -	\$ -	\$ -	\$ -
010.122.52220.1760 Tech Response Team Pay	\$ 19,950	9	Time Allocation (GF)	\$ 2,713	\$ 15,230	\$ 2,006	\$ 19,950
010.122.52220.1770 Scba Pay	\$ 6,650	9	Time Allocation (GF)	\$ 904	\$ 5,077	\$ 669	\$ 6,650
010.122.52220.1810 Out Of Position Pay	\$ 6,760	9	Time Allocation (GF)	\$ 919	\$ 5,161	\$ 680	\$ 6,760
010.122.52220.1910 Standby Pay	\$ 550	9	Time Allocation (GF)	\$ 75	\$ 420	\$ 55	\$ 550
010.122.52220.2110 Pension-Retirement	\$ 141,940	9	Time Allocation (GF)	\$ 19,305	\$ 108,360	\$ 14,275	\$ 141,940
010.122.52220.2120 Deferred Compensation	\$ 58,670	9	Time Allocation (GF)	\$ 7,980	\$ 44,790	\$ 5,900	\$ 58,670
010.122.52220.2210 Industrial Insurance PR	\$ 3,800	9	Time Allocation (GF)	\$ 517	\$ 2,901	\$ 382	\$ 3,800
010.122.52220.2215 Industrial Insurance JE	\$ 147,950	9	Time Allocation (GF)	\$ 20,122	\$ 112,949	\$ 14,879	\$ 147,950
010.122.52220.2310 Medical Insurance	\$ 606,190	9	Time Allocation (GF)	\$ 82,446	\$ 462,780	\$ 60,964	\$ 606,190
010.122.52220.2311 Life Insurance	\$ 3,180	9	Time Allocation (GF)	\$ 433	\$ 2,428	\$ 320	\$ 3,180
010.122.52220.2312 Disability Insurance	\$ 1,910	9	Time Allocation (GF)	\$ 260	\$ 1,458	\$ 192	\$ 1,910
010.122.52220.2313 Medical Expense Reimbursement Plan	\$ 23,850	9	Time Allocation (GF)	\$ 3,244	\$ 18,208	\$ 2,399	\$ 23,850
010.122.52220.2410 Social Security	\$ 37,680	9	Time Allocation (GF)	\$ 5,125	\$ 28,766	\$ 3,789	\$ 37,680
010.122.52220.2500 WA State Paid Family & Medical Leave	\$ 3,750	9	Time Allocation (GF)	\$ 510	\$ 2,863	\$ 377	\$ 3,750
010.122.52220.3180 Clothing	\$ 38,000	9	Time Allocation (GF)	\$ 5,168	\$ 29,010	\$ 3,822	\$ 38,000
010.122.52220.3430 Equipment <\$5,000	\$ 45,400	1	All to Fire	\$ 45,400	\$ -	\$ -	\$ 45,400
010.122.52220.3512 Software < \$5,000	\$ 140	1	All to Fire	\$ 140	\$ -	\$ -	\$ 140
010.122.52220.3513 Computer Hardware < \$5,000	\$ 8,600	1	All to Fire	\$ 8,600	\$ -	\$ -	\$ 8,600
010.122.52220.3534 Maintenance Repair Equipment	\$ 6,750	1	All to Fire	\$ 6,750	\$ -	\$ -	\$ 6,750
010.122.52220.3536 Maintenance Repair Radio	\$ 3,000	1	All to Fire	\$ 3,000	\$ -	\$ -	\$ 3,000
010.122.52220.4212 Postage	\$ 350	1	All to Fire	\$ 350	\$ -	\$ -	\$ 350
010.122.52220.4955 Physical Exams/Drug Tests	\$ 11,000	1	All to Fire	\$ 11,000	\$ -	\$ -	\$ 11,000
010.122.52220.9101 Emergency Comm. Services	\$ 53,875	1	All to Fire	\$ 53,875	\$ -	\$ -	\$ 53,875
010.122.52220.9410 Vehicle Replacement	\$ 71,150	9	Time Allocation (GF)	\$ 9,677	\$ 54,318	\$ 7,156	\$ 71,150
010.122.52220.9411 Vehicle Admin Charges	\$ 3,030	9	Time Allocation (GF)	\$ 412	\$ 2,313	\$ 305	\$ 3,030
010.122.52220.9510 Vehicle Oper & Maint	\$ 23,000	9	Time Allocation (GF)	\$ 3,128	\$ 17,559	\$ 2,313	\$ 23,000
010.122.52220.9511 Vehicle & Equipment Fuel	\$ 21,000	9	Time Allocation (GF)	\$ 2,856	\$ 16,032	\$ 2,112	\$ 21,000
				\$ -	\$ -	\$ -	\$ -
<b>Suppression Budget Total:</b>	<b>\$ 4,011,325</b>			<b>\$ 657,122</b>	<b>\$ 2,963,772</b>	<b>\$ 390,432</b>	<b>\$ 4,011,325</b>

010.123 Fire Prevention	2019 Adjusted Appropriation	Toggle	Allocation Method	Fire	ALS	BLS	Total
010.123.52230.1110 Salaries, Wages	\$ 147,740	1	All to Fire	\$ 147,740	\$ -	\$ -	\$ 147,740
010.123.52230.1210 Overtime	\$ 9,600	1	All to Fire	\$ 9,600	\$ -	\$ -	\$ 9,600
010.123.52230.1730 Education Incentive	\$ 2,950	1	All to Fire	\$ 2,950	\$ -	\$ -	\$ 2,950
010.123.52230.1740 Medical Incentive	\$ 740	1	All to Fire	\$ 740	\$ -	\$ -	\$ 740
010.123.52230.1750 Assigned Position Pay	\$ 11,080	1	All to Fire	\$ 11,080	\$ -	\$ -	\$ 11,080
010.123.52230.2110 Pension-Retirement	\$ 9,340	1	All to Fire	\$ 9,340	\$ -	\$ -	\$ 9,340
010.123.52230.2120 Deferred Compensation	\$ 4,430	1	All to Fire	\$ 4,430	\$ -	\$ -	\$ 4,430
010.123.52230.2210 Industrial Insurance PR	\$ 220	1	All to Fire	\$ 220	\$ -	\$ -	\$ 220
010.123.52230.2215 Industrial Insurance JE	\$ 960	1	All to Fire	\$ 960	\$ -	\$ -	\$ 960
010.123.52230.2310 Medical Insurance	\$ 22,930	1	All to Fire	\$ 22,930	\$ -	\$ -	\$ 22,930
010.123.52230.2311 Life Insurance	\$ 240	1	All to Fire	\$ 240	\$ -	\$ -	\$ 240
010.123.52230.2312 Disability Insurance	\$ 140	1	All to Fire	\$ 140	\$ -	\$ -	\$ 140
010.123.52230.2313 Medical Expense Reimbursement Plan	\$ 1,800	1	All to Fire	\$ 1,800	\$ -	\$ -	\$ 1,800
010.123.52230.2410 Social Security	\$ 2,490	1	All to Fire	\$ 2,490	\$ -	\$ -	\$ 2,490
010.123.52230.2500 WA State Paid Family & Medical Leave	\$ 250	1	All to Fire	\$ 250	\$ -	\$ -	\$ 250
010.123.52230.3310 PC Hardware/Supplies	\$ 1,040	1	All to Fire	\$ 1,040	\$ -	\$ -	\$ 1,040
010.123.52230.3430 Equipment < \$5,000	\$ 3,500	1	All to Fire	\$ 3,500	\$ -	\$ -	\$ 3,500
010.123.52230.4913 Association Dues	\$ 300	1	All to Fire	\$ 300	\$ -	\$ -	\$ 300
010.123.52230.9410 Vehicle Replacement	\$ 1,960	1	All to Fire	\$ 1,960	\$ -	\$ -	\$ 1,960
010.123.52230.9411 Vehicle Admin Charges	\$ 1,250	1	All to Fire	\$ 1,250	\$ -	\$ -	\$ 1,250
010.123.52230.9510 Vehicle Oper & Maint	\$ 2,500	1	All to Fire	\$ 2,500	\$ -	\$ -	\$ 2,500
010.123.52230.9511 Vehicle & Equipment Fuel	\$ 1,700	1	All to Fire	\$ 1,700	\$ -	\$ -	\$ 1,700
<b>Fire Prevention Budget Total:</b>	<b>\$ 227,160</b>			<b>\$ 227,160</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 227,160</b>

010.124 Fire Training	2019 Adjusted Appropriation	Toggle	Allocation Method	Fire	ALS	BLS	Total
010.124.52240.1110 Salaries, Wages	\$ 92,340	1	All to Fire	\$ 92,340	\$ -	\$ -	\$ 92,340
010.124.52240.1210 Overtime	\$ 45,200	1	All to Fire	\$ 45,200	\$ -	\$ -	\$ 45,200
010.124.52240.1225 Sick Cash Out	\$ 260	1	All to Fire	\$ 260	\$ -	\$ -	\$ 260
010.124.52240.1730 Education Incentive	\$ 1,850	1	All to Fire	\$ 1,850	\$ -	\$ -	\$ 1,850
010.124.52240.1770 SCBA Pay	\$ 2,220	1	All to Fire	\$ 2,220	\$ -	\$ -	\$ 2,220
010.124.52240.2110 Pension-Retirement	\$ 7,810	1	All to Fire	\$ 7,810	\$ -	\$ -	\$ 7,810
010.124.52240.2120 Deferred Compensation	\$ 2,770	1	All to Fire	\$ 2,770	\$ -	\$ -	\$ 2,770
010.124.52240.2210 Industrial Insurance PR	\$ 110	1	All to Fire	\$ 110	\$ -	\$ -	\$ 110
010.124.52240.2215 Industrial Insurance JE	\$ 400	1	All to Fire	\$ 400	\$ -	\$ -	\$ 400
010.124.52240.2310 Medical Insurance	\$ 22,880	1	All to Fire	\$ 22,880	\$ -	\$ -	\$ 22,880
010.124.52240.2311 Life Insurance	\$ 120	1	All to Fire	\$ 120	\$ -	\$ -	\$ 120
010.124.52240.2312 Disability Insurance	\$ 70	1	All to Fire	\$ 70	\$ -	\$ -	\$ 70
010.124.52240.2313 Medical Expense Reimbursement Plan	\$ 900	1	All to Fire	\$ 900	\$ -	\$ -	\$ 900
010.124.52240.2410 Social Security	\$ 2,060	1	All to Fire	\$ 2,060	\$ -	\$ -	\$ 2,060
010.124.52240.2500 WA State Paid Family & Medical Leave	\$ 210	1	All to Fire	\$ 210	\$ -	\$ -	\$ 210
010.124.52240.3122 Training Supplies	\$ 10,450	1	All to Fire	\$ 10,450	\$ -	\$ -	\$ 10,450
010.124.52240.3160 Maintenance, Repair of Building	\$ 2,000	1	All to Fire	\$ 2,000	\$ -	\$ -	\$ 2,000
010.124.52240.3430 Equipment <\$5,000	\$ 10,000	1	All to Fire	\$ 10,000	\$ -	\$ -	\$ 10,000
010.124.52240.3512 Software < \$5,000	\$ 140	1	All to Fire	\$ 140	\$ -	\$ -	\$ 140
010.124.52240.3513 Computer Hardware < \$5,000	\$ 540	1	All to Fire	\$ 540	\$ -	\$ -	\$ 540
010.124.52240.3534 Maintenance Repair Equipment	\$ 15,500	1	All to Fire	\$ 15,500	\$ -	\$ -	\$ 15,500
010.124.52240.4110 Professional Services	\$ 5,000	1	All to Fire	\$ 5,000	\$ -	\$ -	\$ 5,000
010.124.52240.4310 Travel & Training	\$ 35,400	1	All to Fire	\$ 35,400	\$ -	\$ -	\$ 35,400
010.124.52240.4312 Student Firefighters	\$ 1,500	1	All to Fire	\$ 1,500	\$ -	\$ -	\$ 1,500
010.124.52240.4712 Propane	\$ 850	1	All to Fire	\$ 850	\$ -	\$ -	\$ 850
010.124.52240.9510 Vehicle Oper & Maint	\$ 500	1	All to Fire	\$ 500	\$ -	\$ -	\$ 500
010.124.52240.9511 Vehicle & Equipment Fuel	\$ 500	1	All to Fire	\$ 500	\$ -	\$ -	\$ 500
<b>Fire Training Budget Total:</b>	<b>\$ 261,580</b>			<b>\$ 261,580</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 261,580</b>
<b>General Fund Budget Grand Total</b>	<b>\$ 4,825,100</b>			<b>\$ 1,221,826</b>	<b>\$ 3,183,977</b>	<b>\$ 419,297</b>	<b>\$ 4,825,100</b>

Ambulance Services	2019 Adjusted Appropriation		Allocation Method	Fire	ALS	BLS	Total
429.000.52620.0310 Bad Debt Expense	\$ 120,000	11	All to EMS	\$ -	\$ 110,371	\$ 9,629	\$ 120,000
429.000.52620.1110 Salaries, Wages	\$ 1,361,704	10	Time Allocation (Amb Fund)	\$ 155,245	\$ 1,109,654	\$ 96,805	\$ 1,361,704
429.000.52620.1210 Overtime	\$ 170,000	10	Time Allocation (Amb Fund)	\$ 19,381	\$ 138,533	\$ 12,085	\$ 170,000
429.000.52620.1220 Vacation Buyback	\$ 15,250	10	Time Allocation (Amb Fund)	\$ 1,739	\$ 12,427	\$ 1,084	\$ 15,250
429.000.52620.1225 Sick Cash Out	\$ 2,000	10	Time Allocation (Amb Fund)	\$ 228	\$ 1,630	\$ 142	\$ 2,000
429.000.52620.1240 Kelley Days Buyback	\$ 11,950	10	Time Allocation (Amb Fund)	\$ 1,362	\$ 9,738	\$ 850	\$ 11,950
429.000.52620.1710 Longevity	\$ 1,680	10	Time Allocation (Amb Fund)	\$ 192	\$ 1,369	\$ 119	\$ 1,680
429.000.52620.1720 Paramedic Longevity	\$ 3,790	10	Time Allocation (Amb Fund)	\$ 432	\$ 3,088	\$ 269	\$ 3,790
429.000.52620.1730 Education Incentive	\$ 39,050	10	Time Allocation (Amb Fund)	\$ 4,452	\$ 31,822	\$ 2,776	\$ 39,050
429.000.52620.1740 Medical Incentive	\$ 18,010	10	Time Allocation (Amb Fund)	\$ 2,053	\$ 14,676	\$ 1,280	\$ 18,010
429.000.52620.1910 Standby Pay	\$ -	10	Time Allocation (Amb Fund)	\$ -	\$ -	\$ -	\$ -
429.000.52620.2110 Pension-Retirement	\$ 89,107	10	Time Allocation (Amb Fund)	\$ 10,159	\$ 72,613	\$ 6,335	\$ 89,107
429.000.52620.2120 Deferred Compensation	\$ 34,783	10	Time Allocation (Amb Fund)	\$ 3,966	\$ 28,345	\$ 2,473	\$ 34,783
429.000.52620.2210 Industrial Insurance PR	\$ 2,570	10	Time Allocation (Amb Fund)	\$ 293	\$ 2,094	\$ 183	\$ 2,570
429.000.52620.2215 Industrial Insurance JE	\$ 25,050	10	Time Allocation (Amb Fund)	\$ 2,856	\$ 20,413	\$ 1,781	\$ 25,050
429.000.52620.2310 Medical Insurance	\$ 402,052	10	Time Allocation (Amb Fund)	\$ 45,837	\$ 327,633	\$ 28,582	\$ 402,052
429.000.52620.2311 Life Insurance	\$ 2,220	10	Time Allocation (Amb Fund)	\$ 253	\$ 1,809	\$ 158	\$ 2,220
429.000.52620.2312 Disability Insurance	\$ 1,120	10	Time Allocation (Amb Fund)	\$ 128	\$ 913	\$ 80	\$ 1,120
429.000.52620.2313 Medical Expense Reimbursement Plan	\$ 13,950	10	Time Allocation (Amb Fund)	\$ 1,590	\$ 11,368	\$ 992	\$ 13,950
429.000.52620.2410 Social Security	\$ 31,000	10	Time Allocation (Amb Fund)	\$ 3,534	\$ 25,262	\$ 2,204	\$ 31,000
429.000.52620.2500 WA State Paid Family & Medical Leave	\$ 2,660	10	Time Allocation (Amb Fund)	\$ 303	\$ 2,168	\$ 189	\$ 2,660
429.000.52620.2920 Medical - Retired LEOFF 1	\$ 75,472	10	Time Allocation (Amb Fund)	\$ 8,604	\$ 61,502	\$ 5,365	\$ 75,472
429.000.52620.2930 Pension - Retired LEOFF 1	\$ 15,608	10	Time Allocation (Amb Fund)	\$ 1,779	\$ 12,719	\$ 1,110	\$ 15,608
429.000.52620.2990 Cell Phone/Internet Allowance	\$ -	11	All to EMS	\$ -	\$ -	\$ -	\$ -
429.000.52620.3110 Office Supplies	\$ 4,200	11	All to EMS	\$ -	\$ 3,863	\$ 337	\$ 4,200
429.000.52620.3120 Chemical Drugs Lab Supply	\$ 105,517	11	All to EMS	\$ -	\$ 97,050	\$ 8,467	\$ 105,517
429.000.52620.3122 Training Supplies	\$ 3,000	11	All to EMS	\$ -	\$ 2,759	\$ 241	\$ 3,000
429.000.52620.3160 Maintenance, Repair of Building	\$ 12,500	5	Square Feet	\$ 6,182	\$ 5,679	\$ 640	\$ 12,500
429.000.52620.3180 Clothing	\$ 8,500	10	Time Allocation (Amb Fund)	\$ 969	\$ 6,927	\$ 604	\$ 8,500
429.000.52620.3421 Books, Maps, Periodicals	\$ 1,000	11	All to EMS	\$ -	\$ 920	\$ 80	\$ 1,000
429.000.52620.3430 Equipment <\$5,000	\$ 15,520	11	All to EMS	\$ -	\$ 14,275	\$ 1,245	\$ 15,520
429.000.52620.3513 Computer Hardware < \$5,000	\$ 9,830	11	All to EMS	\$ -	\$ 9,041	\$ 789	\$ 9,830
429.000.52620.3534 Maintenance Repair Equipment	\$ 7,500	11	All to EMS	\$ -	\$ 6,898	\$ 602	\$ 7,500
429.000.52620.3536 Maintenance Repair Radio	\$ 1,500	11	All to EMS	\$ -	\$ 1,380	\$ 120	\$ 1,500
429.000.52620.4110 Professional Services	\$ 4,200	11	All to EMS	\$ -	\$ 3,863	\$ 337	\$ 4,200
429.000.52620.4113 Contractual Services	\$ 105,500	11	All to EMS	\$ -	\$ 97,035	\$ 8,465	\$ 105,500
429.000.52620.4132 Maintenance Repair Office Machine	\$ 500	11	All to EMS	\$ -	\$ 460	\$ 40	\$ 500
429.000.52620.4210 Telephone	\$ 4,100	11	All to EMS	\$ -	\$ 3,771	\$ 329	\$ 4,100
429.000.52620.4212 Postage	\$ 400	11	All to EMS	\$ -	\$ 368	\$ 32	\$ 400
429.000.52620.4310 Travel & Training	\$ 14,000	11	All to EMS	\$ -	\$ 12,877	\$ 1,123	\$ 14,000
429.000.52620.4311 Transfer Meals & Travel	\$ 2,500	11	All to EMS	\$ -	\$ 2,299	\$ 201	\$ 2,500
429.000.52620.4510 Copier Lease	\$ 2,150	11	All to EMS	\$ -	\$ 1,977	\$ 173	\$ 2,150
429.000.52620.4525 Maintenance HW, SW	\$ 26,080	5	Square Feet	\$ 12,897	\$ 11,849	\$ 1,334	\$ 26,080
429.000.52620.4630 Liability Insurance	\$ 45,000	11	All to EMS	\$ -	\$ 41,389	\$ 3,611	\$ 45,000
429.000.52620.4710 Heat, Light, Power	\$ 21,000	5	Square Feet	\$ 10,385	\$ 9,541	\$ 1,074	\$ 21,000
429.000.52620.4720 Water Service	\$ 5,800	5	Square Feet	\$ 2,868	\$ 2,635	\$ 297	\$ 5,800
429.000.52620.4916 Printing & Binding	\$ 2,000	11	All to EMS	\$ -	\$ 1,840	\$ 160	\$ 2,000
429.000.52620.5315 State Taxes Payable	\$ 21,100	11	All to EMS	\$ -	\$ 19,407	\$ 1,693	\$ 21,100
429.000.52620.9101 Emergency Comm. Services	\$ 193,003	8	Emergency Calls - ALS/BLS	\$ -	\$ 177,048	\$ 15,955	\$ 193,003
429.000.52620.9103 Admin Service Charges	\$ 367,610	11	All to EMS	\$ -	\$ 338,113	\$ 29,497	\$ 367,610
429.000.52620.9410 Vehicle Replacement	\$ 153,940	10	Time Allocation (Amb Fund)	\$ 17,550	\$ 125,446	\$ 10,944	\$ 153,940
429.000.52620.9411 Vehicle Admin Charges	\$ 9,980	10	Time Allocation (Amb Fund)	\$ 1,138	\$ 8,133	\$ 709	\$ 9,980
429.000.52620.9510 Vehicle Oper & Maint	\$ 41,000	10	Time Allocation (Amb Fund)	\$ 4,674	\$ 33,411	\$ 2,915	\$ 41,000
429.000.52620.9511 Vehicle & Equipment Fuel	\$ 25,000	10	Time Allocation (Amb Fund)	\$ 2,850	\$ 20,373	\$ 1,777	\$ 25,000
429.000.58120.7910 Interfund Loan Principal Payment	\$ 59,100	11	All to EMS	\$ -	\$ 54,358	\$ 4,742	\$ 59,100
429.000.58120.8210 Interfund Loan Interest Expense	\$ 3,630	11	All to EMS	\$ -	\$ 3,339	\$ 291	\$ 3,630
Judy Jerome / EMS Clerk	\$ 30,886	11	All to EMS	\$ -	\$ 28,408	\$ 2,478	\$ 30,886
Brad Morris / Deputy Chief (Paramedic)	\$ 75,244	10	Time Allocation (Amb Fund)	\$ 8,578	\$ 61,316	\$ 5,349	\$ 75,244
Jennifer Scott / Medical Coding & Compliance	\$ 35,144	11	All to EMS	\$ -	\$ 32,324	\$ 2,820	\$ 35,144
Bob Yancey / Chief	\$ 83,300	10	Time Allocation (Amb Fund)	\$ 9,497	\$ 67,881	\$ 5,922	\$ 83,300
<b>Ambulance Budget Total</b>	<b>\$ 3,940,260</b>			<b>\$ 341,976</b>	<b>\$ 3,308,400</b>	<b>\$ 289,883</b>	<b>\$ 3,940,260</b>

<sup>1</sup> Certain employees' salaries and benefits were broken out to individually allocate costs. Cells highlighted in orange do not match source documentation as these employee costs have been taken out and shown separately. Total costs reconcile.

# APPENDIX B – ALLOCATION OF EMS COSTS TO AVAILABILITY AND DEMAND

010.121 Fire Administration	2019 Adjusted Appropriation	Availability Method	Availability In City	Demand In City	Availability Out of City	Demand Out of City	Total
010.121.52210.1110 Salaries, Wages	\$ 102,240	Availability Demand Ratio	\$ 63,408	\$ 7,644	\$ 15,423	\$ 1,859	\$ 88,335
010.121.52210.1220 Vacation Buyback	\$ 480	Availability Demand Ratio	\$ 298	\$ 36	\$ 72	\$ 9	\$ 415
010.121.52210.1225 Sick Cash Out	\$ 100	Availability Demand Ratio	\$ 62	\$ 7	\$ 15	\$ 2	\$ 86
010.121.52210.1710 Longevity	\$ 360	Availability Demand Ratio	\$ 223	\$ 27	\$ 54	\$ 7	\$ 311
010.121.52210.2110 Pension-Retirement	\$ 7,570	Availability Demand Ratio	\$ 4,695	\$ 566	\$ 1,142	\$ 138	\$ 6,540
010.121.52210.2120 Deferred Compensation	\$ 2,270	Availability Demand Ratio	\$ 1,408	\$ 170	\$ 342	\$ 41	\$ 1,961
010.121.52210.2210 Industrial Insurance PR	\$ 110	Availability Demand Ratio	\$ 68	\$ 8	\$ 17	\$ 2	\$ 95
010.121.52210.2215 Industrial Insurance JE	\$ 400	Availability Demand Ratio	\$ 248	\$ 30	\$ 60	\$ 7	\$ 346
010.121.52210.2310 Medical Insurance	\$ 19,130	Availability Demand Ratio	\$ 11,864	\$ 1,430	\$ 2,886	\$ 348	\$ 16,528
010.121.52210.2311 Life Insurance	\$ 120	Availability Demand Ratio	\$ 74	\$ 9	\$ 18	\$ 2	\$ 104
010.121.52210.2410 Social Security	\$ 3,150	Availability Demand Ratio	\$ 1,954	\$ 236	\$ 475	\$ 57	\$ 2,722
010.121.52210.2500 WA State Paid Family & Medical Leave	\$ 140	Availability Demand Ratio	\$ 87	\$ 10	\$ 21	\$ 3	\$ 121
010.121.52210.3110 Office Supplies	\$ 8,600	Availability Demand Ratio	\$ 5,334	\$ 643	\$ 1,297	\$ 156	\$ 7,430
010.121.52210.3117 Office Furniture < \$5,000	\$ 6,300	Availability Demand Ratio	\$ 3,907	\$ 471	\$ 950	\$ 115	\$ 5,443
010.121.52210.3160 Maintenance, Repair of Building	\$ 3,500	Availability Demand Ratio	\$ 1,270	\$ 153	\$ 309	\$ 37	\$ 1,769
010.121.52210.3513 Computer Hardware < \$5,000	\$ 2,000	Availability Demand Ratio	\$ 1,240	\$ 150	\$ 302	\$ 36	\$ 1,728
010.121.52210.4110 Professional Services	\$ 61,005	All to Availability - Time	\$ 42,396	\$ -	\$ 10,312	\$ -	\$ 52,708
010.121.52210.4113 Contractual Services	\$ 29,910		\$ -	\$ -	\$ -	\$ -	\$ -
010.121.52210.4210 Telephone	\$ 8,700	All to Availability - Time	\$ 6,046	\$ -	\$ 1,471	\$ -	\$ 7,517
010.121.52210.4510 Copier Lease	\$ 1,700	All to Availability - Time	\$ 1,181	\$ -	\$ 287	\$ -	\$ 1,469
010.121.52210.4525 Maintenance HW, SW	\$ 29,370	All to Availability - Time	\$ 20,411	\$ -	\$ 4,965	\$ -	\$ 25,375
010.121.52210.4710 Heat, Light, Power	\$ 13,000	All to Availability - Time	\$ 5,286	\$ -	\$ 1,286	\$ -	\$ 6,571
010.121.52210.4720 Water Service	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
010.121.52210.4913 Association Dues	\$ 3,500	All to Availability - Time	\$ 2,432	\$ -	\$ 592	\$ -	\$ 3,024
010.121.52210.9118 GIS Charges	\$ 7,000	All to Availability - Time	\$ 4,865	\$ -	\$ 1,183	\$ -	\$ 6,048
010.121.52210.9410 Vehicle Replacement	\$ 6,090	All to Availability - Time	\$ 4,232	\$ -	\$ 1,029	\$ -	\$ 5,262
010.121.52210.9411 Vehicle Admin Charges	\$ 590	All to Availability - Time	\$ 410	\$ -	\$ 100	\$ -	\$ 510
010.121.52210.9510 Vehicle Oper & Maint	\$ 6,000	All to Availability - Time	\$ 4,170	\$ -	\$ 1,014	\$ -	\$ 5,184
010.121.52210.9511 Vehicle & Equipment Fuel	\$ 1,700	All to Availability - Time	\$ 1,181	\$ -	\$ 287	\$ -	\$ 1,469
			\$ -	\$ -	\$ -	\$ -	\$ -
			\$ -	\$ -	\$ -	\$ -	\$ -
<b>Fire Administration Budget Total:</b>	<b>\$ 325,035</b>		<b>\$ 188,751</b>	<b>\$ 11,590</b>	<b>\$ 45,911</b>	<b>\$ 2,819</b>	<b>\$ 249,070</b>

010.122 Suppression	2019 Adjusted Appropriation	Availability Method	Availability In City	Demand In City	Availability Out of City	Demand Out of City	Total
010.122.52220.1110 Salaries, Wages	\$ 2,120,070	Availability Demand Ratio	\$ 1,314,847	\$ 158,504	\$ 319,820	\$ 38,554	\$ 1,831,726
010.122.52220.1210 Overtime	\$ 400,000	Availability Demand Ratio	\$ 248,076	\$ 29,905	\$ 60,341	\$ 7,274	\$ 345,597
010.122.52220.1220 Vacation Buyback	\$ 30,000	Availability Demand Ratio	\$ 18,606	\$ 2,243	\$ 4,526	\$ 546	\$ 25,920
010.122.52220.1225 Sick Cash Out	\$ 10,000	Availability Demand Ratio	\$ 6,202	\$ 748	\$ 1,509	\$ 182	\$ 8,640
010.122.52220.1240 Kelley Days Buyback	\$ 34,000	Availability Demand Ratio	\$ 21,086	\$ 2,542	\$ 5,129	\$ 618	\$ 29,376
010.122.52220.1720 Paramedic Longevity	\$ 6,070	Availability Demand Ratio	\$ 3,765	\$ 454	\$ 916	\$ 110	\$ 5,244
010.122.52220.1730 Education Incentive	\$ 44,320	Availability Demand Ratio	\$ 27,487	\$ 3,314	\$ 6,686	\$ 806	\$ 38,292
010.122.52220.1740 Medical Incentive	\$ 18,740	Availability Demand Ratio	\$ 11,622	\$ 1,401	\$ 2,827	\$ 341	\$ 16,191
010.122.52220.1750 Assigned Position Pay	\$ -	Availability Demand Ratio	\$ -	\$ -	\$ -	\$ -	\$ -
010.122.52220.1760 Tech Response Team Pay	\$ 19,950	Availability Demand Ratio	\$ 12,373	\$ 1,492	\$ 3,010	\$ 363	\$ 17,237
010.122.52220.1770 Scba Pay	\$ 6,650	Availability Demand Ratio	\$ 4,124	\$ 497	\$ 1,003	\$ 121	\$ 5,746
010.122.52220.1810 Out Of Position Pay	\$ 6,760	Availability Demand Ratio	\$ 4,192	\$ 505	\$ 1,020	\$ 123	\$ 5,841
010.122.52220.1910 Standby Pay	\$ 550	Availability Demand Ratio	\$ 341	\$ 41	\$ 83	\$ 10	\$ 475
010.122.52220.2110 Pension-Retirement	\$ 141,940	Availability Demand Ratio	\$ 88,030	\$ 10,612	\$ 21,412	\$ 2,581	\$ 122,635
010.122.52220.2120 Deferred Compensation	\$ 58,670	Availability Demand Ratio	\$ 36,387	\$ 4,386	\$ 8,851	\$ 1,067	\$ 50,690
010.122.52220.2210 Industrial Insurance PR	\$ 3,800	Availability Demand Ratio	\$ 2,357	\$ 284	\$ 573	\$ 69	\$ 3,283
010.122.52220.2215 Industrial Insurance JE	\$ 147,950	Availability Demand Ratio	\$ 91,757	\$ 11,061	\$ 22,319	\$ 2,691	\$ 127,828
010.122.52220.2310 Medical Insurance	\$ 606,190	Availability Demand Ratio	\$ 375,953	\$ 45,321	\$ 91,446	\$ 11,024	\$ 523,744
010.122.52220.2311 Life Insurance	\$ 3,180	Availability Demand Ratio	\$ 1,972	\$ 238	\$ 480	\$ 58	\$ 2,747
010.122.52220.2312 Disability Insurance	\$ 1,910	Availability Demand Ratio	\$ 1,185	\$ 143	\$ 288	\$ 35	\$ 1,650
010.122.52220.2313 Medical Expense Reimbursement Plan	\$ 23,850	Availability Demand Ratio	\$ 14,792	\$ 1,783	\$ 3,598	\$ 434	\$ 20,606
010.122.52220.2410 Social Security	\$ 37,680	Availability Demand Ratio	\$ 23,369	\$ 2,817	\$ 5,684	\$ 685	\$ 32,555
010.122.52220.2500 WA State Paid Family & Medical Leave	\$ 3,750	Availability Demand Ratio	\$ 2,326	\$ 280	\$ 566	\$ 68	\$ 3,240
010.122.52220.3180 Clothing	\$ 38,000	Availability Demand Ratio	\$ 23,567	\$ 2,841	\$ 5,732	\$ 691	\$ 32,832
010.122.52220.3430 Equipment <\$5,000	\$ 45,400		\$ -	\$ -	\$ -	\$ -	\$ -
010.122.52220.3512 Software < \$5,000	\$ 140		\$ -	\$ -	\$ -	\$ -	\$ -
010.122.52220.3513 Computer Hardware < \$5,000	\$ 8,600		\$ -	\$ -	\$ -	\$ -	\$ -
010.122.52220.3534 Maintenance Repair Equipment	\$ 6,750		\$ -	\$ -	\$ -	\$ -	\$ -
010.122.52220.3536 Maintenance Repair Radio	\$ 3,000		\$ -	\$ -	\$ -	\$ -	\$ -
010.122.52220.4212 Postage	\$ 350		\$ -	\$ -	\$ -	\$ -	\$ -
010.122.52220.4955 Physical Exams/Drug Tests	\$ 11,000		\$ -	\$ -	\$ -	\$ -	\$ -
010.122.52220.9101 Emergency Comm. Services	\$ 53,875		\$ -	\$ -	\$ -	\$ -	\$ -
010.122.52220.9410 Vehicle Replacement	\$ 71,150	All to Demand	\$ -	\$ 49,446	\$ -	\$ 12,027	\$ 61,473
010.122.52220.9411 Vehicle Admin Charges	\$ 3,030	All to Demand	\$ -	\$ 2,106	\$ -	\$ 512	\$ 2,618
010.122.52220.9510 Vehicle Oper & Maint	\$ 23,000	All to Demand	\$ -	\$ 15,984	\$ -	\$ 3,888	\$ 19,872
010.122.52220.9511 Vehicle & Equipment Fuel	\$ 21,000	All to Demand	\$ -	\$ 14,594	\$ -	\$ 3,550	\$ 18,144
			\$ -	\$ -	\$ -	\$ -	\$ -
<b>Suppression Budget Total:</b>	<b>\$ 4,011,325</b>		<b>\$ 2,334,416</b>	<b>\$ 363,543</b>	<b>\$ 567,817</b>	<b>\$ 88,427</b>	<b>\$ 3,354,203</b>

010.123 Fire Prevention	2019 Adjusted Appropriation	Availability Method	Availability In City	Demand In City	Availability Out of City	Demand Out of City	Total
010.123.52230.1110 Salaries, Wages	\$ 147,740		\$ -	\$ -	\$ -	\$ -	\$ -
010.123.52230.1210 Overtime	\$ 9,600		\$ -	\$ -	\$ -	\$ -	\$ -
010.123.52230.1730 Education Incentive	\$ 2,950		\$ -	\$ -	\$ -	\$ -	\$ -
010.123.52230.1740 Medical Incentive	\$ 740		\$ -	\$ -	\$ -	\$ -	\$ -
010.123.52230.1750 Assigned Position Pay	\$ 11,080		\$ -	\$ -	\$ -	\$ -	\$ -
010.123.52230.2110 Pension-Retirement	\$ 9,340		\$ -	\$ -	\$ -	\$ -	\$ -
010.123.52230.2120 Deferred Compensation	\$ 4,430		\$ -	\$ -	\$ -	\$ -	\$ -
010.123.52230.2210 Industrial Insurance PR	\$ 220		\$ -	\$ -	\$ -	\$ -	\$ -
010.123.52230.2215 Industrial Insurance JE	\$ 960		\$ -	\$ -	\$ -	\$ -	\$ -
010.123.52230.2310 Medical Insurance	\$ 22,930		\$ -	\$ -	\$ -	\$ -	\$ -
010.123.52230.2311 Life Insurance	\$ 240		\$ -	\$ -	\$ -	\$ -	\$ -
010.123.52230.2312 Disability Insurance	\$ 140		\$ -	\$ -	\$ -	\$ -	\$ -
010.123.52230.2313 Medical Expense Reimbursement Plan	\$ 1,800		\$ -	\$ -	\$ -	\$ -	\$ -
010.123.52230.2410 Social Security	\$ 2,490		\$ -	\$ -	\$ -	\$ -	\$ -
010.123.52230.2500 WA State Paid Family & Medical Leave	\$ 250		\$ -	\$ -	\$ -	\$ -	\$ -
010.123.52230.3310 PC Hardware/Supplies	\$ 1,040		\$ -	\$ -	\$ -	\$ -	\$ -
010.123.52230.3430 Equipment < \$5,000	\$ 3,500		\$ -	\$ -	\$ -	\$ -	\$ -
010.123.52230.4913 Association Dues	\$ 300		\$ -	\$ -	\$ -	\$ -	\$ -
010.123.52230.9410 Vehicle Replacement	\$ 1,960		\$ -	\$ -	\$ -	\$ -	\$ -
010.123.52230.9411 Vehicle Admin Charges	\$ 1,250		\$ -	\$ -	\$ -	\$ -	\$ -
010.123.52230.9510 Vehicle Oper & Maint	\$ 2,500		\$ -	\$ -	\$ -	\$ -	\$ -
010.123.52230.9511 Vehicle & Equipment Fuel	\$ 1,700		\$ -	\$ -	\$ -	\$ -	\$ -
<b>Fire Prevention Budget Total:</b>	<b>\$ 227,160</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

010.124 Fire Training	2019 Adjusted Appropriation	Availability Method	Availability In City	Demand In City	Availability Out of City	Demand Out of City	Total
010.124.52240.1110 Salaries, Wages	\$ 92,340		\$ -	\$ -	\$ -	\$ -	\$ -
010.124.52240.1210 Overtime	\$ 45,200		\$ -	\$ -	\$ -	\$ -	\$ -
010.124.52240.1225 Sick Cash Out	\$ 260		\$ -	\$ -	\$ -	\$ -	\$ -
010.124.52240.1730 Education Incentive	\$ 1,850		\$ -	\$ -	\$ -	\$ -	\$ -
010.124.52240.1770 SCBA Pay	\$ 2,220		\$ -	\$ -	\$ -	\$ -	\$ -
010.124.52240.2110 Pension-Retirement	\$ 7,810		\$ -	\$ -	\$ -	\$ -	\$ -
010.124.52240.2120 Deferred Compensation	\$ 2,770		\$ -	\$ -	\$ -	\$ -	\$ -
010.124.52240.2210 Industrial Insurance PR	\$ 110		\$ -	\$ -	\$ -	\$ -	\$ -
010.124.52240.2215 Industrial Insurance JE	\$ 400		\$ -	\$ -	\$ -	\$ -	\$ -
010.124.52240.2310 Medical Insurance	\$ 22,880		\$ -	\$ -	\$ -	\$ -	\$ -
010.124.52240.2311 Life Insurance	\$ 120		\$ -	\$ -	\$ -	\$ -	\$ -
010.124.52240.2312 Disability Insurance	\$ 70		\$ -	\$ -	\$ -	\$ -	\$ -
010.124.52240.2313 Medical Expense Reimbursement Plan	\$ 900		\$ -	\$ -	\$ -	\$ -	\$ -
010.124.52240.2410 Social Security	\$ 2,060		\$ -	\$ -	\$ -	\$ -	\$ -
010.124.52240.2500 WA State Paid Family & Medical Leave	\$ 210		\$ -	\$ -	\$ -	\$ -	\$ -
010.124.52240.3122 Training Supplies	\$ 10,450		\$ -	\$ -	\$ -	\$ -	\$ -
010.124.52240.3160 Maintenance, Repair of Building	\$ 2,000		\$ -	\$ -	\$ -	\$ -	\$ -
010.124.52240.3430 Equipment <\$5,000	\$ 10,000		\$ -	\$ -	\$ -	\$ -	\$ -
010.124.52240.3512 Software < \$5,000	\$ 140		\$ -	\$ -	\$ -	\$ -	\$ -
010.124.52240.3513 Computer Hardware < \$5,000	\$ 540		\$ -	\$ -	\$ -	\$ -	\$ -
010.124.52240.3534 Maintenance Repair Equipment	\$ 15,500		\$ -	\$ -	\$ -	\$ -	\$ -
010.124.52240.4110 Professional Services	\$ 5,000		\$ -	\$ -	\$ -	\$ -	\$ -
010.124.52240.4310 Travel & Training	\$ 35,400		\$ -	\$ -	\$ -	\$ -	\$ -
010.124.52240.4312 Student Firefighters	\$ 1,500		\$ -	\$ -	\$ -	\$ -	\$ -
010.124.52240.4712 Propane	\$ 850		\$ -	\$ -	\$ -	\$ -	\$ -
010.124.52240.9510 Vehicle Oper & Maint	\$ 500		\$ -	\$ -	\$ -	\$ -	\$ -
010.124.52240.9511 Vehicle & Equipment Fuel	\$ 500		\$ -	\$ -	\$ -	\$ -	\$ -
<b>Fire Training Budget Total:</b>	<b>\$ 261,580</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>General Fund Budget Grand Total</b>	<b>\$ 4,825,100</b>		<b>\$ 2,523,167</b>	<b>\$ 375,132</b>	<b>\$ 613,729</b>	<b>\$ 91,246</b>	<b>\$ 3,603,274</b>

Ambulance Services	2019 Adjusted Appropriation	Availability Method	Availability In City	Demand In City	Availability Out of City	Demand Out of City	Total
429.000.52620.0310 Bad Debt Expense	\$ 120,000	Availability Demand Ratio	\$ 86,138	\$ 10,384	\$ 20,952	\$ 2,526	120,000
429.000.52620.1110 Salaries, Wages	\$ 1,361,704	Availability Demand Ratio	\$ 866,019	\$ 104,398	\$ 210,648	\$ 25,394	1,206,459
429.000.52620.1210 Overtime	\$ 170,000	Availability Demand Ratio	\$ 108,117	\$ 13,033	\$ 26,298	\$ 3,170	150,619
429.000.52620.1220 Vacation Buyback	\$ 15,250	Availability Demand Ratio	\$ 9,699	\$ 1,169	\$ 2,359	\$ 284	13,511
429.000.52620.1225 Sick Cash Out	\$ 2,000	Availability Demand Ratio	\$ 1,272	\$ 153	\$ 309	\$ 37	1,772
429.000.52620.1240 Kelley Days Buyback	\$ 11,950	Availability Demand Ratio	\$ 7,600	\$ 916	\$ 1,849	\$ 223	10,588
429.000.52620.1710 Longevity	\$ 1,680	Availability Demand Ratio	\$ 1,068	\$ 129	\$ 260	\$ 31	1,488
429.000.52620.1720 Paramedic Longevity	\$ 3,790	Availability Demand Ratio	\$ 2,410	\$ 291	\$ 586	\$ 71	3,358
429.000.52620.1730 Education Incentive	\$ 39,050	Availability Demand Ratio	\$ 24,835	\$ 2,994	\$ 6,041	\$ 728	34,598
429.000.52620.1740 Medical Incentive	\$ 18,010	Availability Demand Ratio	\$ 11,454	\$ 1,381	\$ 2,786	\$ 336	15,957
429.000.52620.1910 Standby Pay	\$ -	Availability Demand Ratio	\$ -	\$ -	\$ -	\$ -	-
429.000.52620.2110 Pension-Retirement	\$ 89,107	Availability Demand Ratio	\$ 56,670	\$ 6,832	\$ 13,784	\$ 1,662	78,948
429.000.52620.2120 Deferred Compensation	\$ 34,783	Availability Demand Ratio	\$ 22,121	\$ 2,667	\$ 5,381	\$ 649	30,817
429.000.52620.2210 Industrial Insurance PR	\$ 2,570	Availability Demand Ratio	\$ 1,634	\$ 197	\$ 398	\$ 48	2,277
429.000.52620.2215 Industrial Insurance JE	\$ 25,050	Availability Demand Ratio	\$ 15,931	\$ 1,921	\$ 3,875	\$ 467	22,194
429.000.52620.2310 Medical Insurance	\$ 402,052	Availability Demand Ratio	\$ 255,698	\$ 30,824	\$ 62,195	\$ 7,498	356,215
429.000.52620.2311 Life Insurance	\$ 2,220	Availability Demand Ratio	\$ 1,412	\$ 170	\$ 343	\$ 41	1,967
429.000.52620.2312 Disability Insurance	\$ 1,120	Availability Demand Ratio	\$ 712	\$ 86	\$ 173	\$ 21	992
429.000.52620.2313 Medical Expense Reimbursement Plan	\$ 13,950	Availability Demand Ratio	\$ 8,872	\$ 1,070	\$ 2,158	\$ 260	12,360
429.000.52620.2410 Social Security	\$ 31,000	Availability Demand Ratio	\$ 19,715	\$ 2,377	\$ 4,796	\$ 578	27,466
429.000.52620.2500 WA State Paid Family & Medical Leave	\$ 2,660	Availability Demand Ratio	\$ 1,692	\$ 204	\$ 411	\$ 50	2,357
429.000.52620.2920 Medical - Retired LEOFF 1	\$ 75,472	Availability Demand Ratio	\$ 47,999	\$ 5,786	\$ 11,675	\$ 1,407	66,868
429.000.52620.2930 Pension - Retired LEOFF 1	\$ 15,608	Availability Demand Ratio	\$ 9,926	\$ 1,197	\$ 2,414	\$ 291	13,829
429.000.52620.2990 Cell Phone/Internet Allowance	\$ -	Availability Demand Ratio	\$ -	\$ -	\$ -	\$ -	-
429.000.52620.3110 Office Supplies	\$ 4,200	All to Availability - Time	\$ 3,378	\$ -	\$ 822	\$ -	4,200
429.000.52620.3120 Chemical Drugs Lab Supply	\$ 105,517	All to Availability - Time	\$ 84,873	\$ -	\$ 20,644	\$ -	105,517
429.000.52620.3122 Training Supplies	\$ 3,000	All to Availability - Time	\$ 2,413	\$ -	\$ 587	\$ -	3,000
429.000.52620.3160 Maintenance, Repair of Building	\$ 12,500	All to Availability - Time	\$ 5,082	\$ -	\$ 1,236	\$ -	6,318
429.000.52620.3180 Clothing	\$ 8,500	All to Availability - Time	\$ 6,058	\$ -	\$ 1,473	\$ -	7,531
429.000.52620.3421 Books, Maps, Periodicals	\$ 1,000	All to Availability - Time	\$ 804	\$ -	\$ 196	\$ -	1,000
429.000.52620.3430 Equipment <\$5,000	\$ 15,520	All to Availability - Time	\$ 12,484	\$ -	\$ 3,036	\$ -	15,520
429.000.52620.3513 Computer Hardware < \$5,000	\$ 9,830	All to Availability - Time	\$ 7,907	\$ -	\$ 1,923	\$ -	9,830
429.000.52620.3534 Maintenance Repair Equipment	\$ 7,500	All to Availability - Time	\$ 6,033	\$ -	\$ 1,467	\$ -	7,500
429.000.52620.3536 Maintenance Repair Radio	\$ 1,500	All to Availability - Time	\$ 1,207	\$ -	\$ 293	\$ -	1,500
429.000.52620.4110 Professional Services	\$ 4,200	All to Availability - Time	\$ 3,378	\$ -	\$ 822	\$ -	4,200
429.000.52620.4113 Contractual Services	\$ 105,500	All to Availability - Time	\$ 84,859	\$ -	\$ 20,641	\$ -	105,500
429.000.52620.4132 Maintenance Repair Office Machine	\$ 500	All to Availability - Time	\$ 402	\$ -	\$ 98	\$ -	500
429.000.52620.4210 Telephone	\$ 4,100	All to Availability - Time	\$ 3,298	\$ -	\$ 802	\$ -	4,100
429.000.52620.4212 Postage	\$ 400	All to Availability - Time	\$ 322	\$ -	\$ 78	\$ -	400
429.000.52620.4310 Travel & Training	\$ 14,000	All to Availability - Time	\$ 11,261	\$ -	\$ 2,739	\$ -	14,000
429.000.52620.4311 Transfer Meals & Travel	\$ 2,500	All to Availability - Time	\$ 2,011	\$ -	\$ 489	\$ -	2,500
429.000.52620.4510 Copier Lease	\$ 2,150	All to Availability - Time	\$ 1,729	\$ -	\$ 421	\$ -	2,150
429.000.52620.4525 Maintenance HW, SW	\$ 26,080	All to Availability - Time	\$ 10,604	\$ -	\$ 2,579	\$ -	13,183
429.000.52620.4630 Liability Insurance	\$ 45,000	All to Availability - Time	\$ 36,196	\$ -	\$ 8,804	\$ -	45,000
429.000.52620.4710 Heat, Light, Power	\$ 21,000	All to Availability - Time	\$ 8,538	\$ -	\$ 2,077	\$ -	10,615
429.000.52620.4720 Water Service	\$ 5,800	All to Availability - Time	\$ 2,358	\$ -	\$ 574	\$ -	2,932
429.000.52620.4916 Printing & Binding	\$ 2,000	All to Availability - Time	\$ 1,609	\$ -	\$ 391	\$ -	2,000
429.000.52620.5315 State Taxes Payable	\$ 21,100	All to Availability - Time	\$ 16,972	\$ -	\$ 4,128	\$ -	21,100
429.000.52620.9101 Emergency Comm. Services	\$ 193,003	All to Demand	\$ -	\$ 155,242	\$ -	\$ 37,761	193,003
429.000.52620.9103 Admin Service Charges	\$ 367,610	All to Availability - Time	\$ 295,688	\$ -	\$ 71,922	\$ -	367,610
429.000.52620.9410 Vehicle Replacement	\$ 153,940	Availability Demand Ratio	\$ 97,903	\$ 11,802	\$ 23,814	\$ 2,871	136,390
429.000.52620.9411 Vehicle Admin Charges	\$ 9,980	Availability Demand Ratio	\$ 6,347	\$ 765	\$ 1,544	\$ 186	8,842
429.000.52620.9510 Vehicle Oper & Maint	\$ 41,000	Availability Demand Ratio	\$ 26,075	\$ 3,143	\$ 6,342	\$ 765	36,326
429.000.52620.9511 Vehicle & Equipment Fuel	\$ 25,000	Availability Demand Ratio	\$ 15,900	\$ 1,917	\$ 3,867	\$ 466	22,150
429.000.58120.7910 Interfund Loan Principal Payment	\$ 59,100	All to Availability - Time	\$ 47,537	\$ -	\$ 11,563	\$ -	59,100
429.000.58120.8210 Interfund Loan Interest Expense	\$ 3,630	All to Availability - Time	\$ 2,920	\$ -	\$ 710	\$ -	3,630
Judy Jerome / EMS Clerk	\$ 30,886	All to Availability - Time	\$ 24,843	\$ -	\$ 6,043	\$ -	30,886
Brad Morris / Deputy Chief (Paramedic)	\$ 75,244	Availability Demand Ratio	\$ 47,854	\$ 5,769	\$ 11,640	\$ 1,403	66,665
Jennifer Scott / Medical Coding & Compliance	\$ 35,144	All to Availability - Time	\$ 28,268	\$ -	\$ 6,876	\$ -	35,144
Bob Yancey / Chief	\$ 83,300	Availability Demand Ratio	\$ 52,977	\$ 6,386	\$ 12,886	\$ 1,553	73,803
<b>Ambulance Budget Total</b>	<b>\$ 3,940,260</b>		<b>\$2,521,082</b>	<b>\$ 373,202</b>	<b>\$ 613,222</b>	<b>\$ 90,777</b>	<b>\$3,598,283</b> <sup>2</sup>

<sup>2</sup> Certain employees' salaries and benefits were broken out to individually allocate costs. Cells highlighted in orange do not match source documentation as these employee costs have been taken out and shown separately. Total costs reconcile



**To:** Bob Yancey, City of Walla Walla  
**From:** Luke Slaughterbeck, FCS GROUP  
**CC:** Brad Morris, Liz Moeller, Jean Teasdale, City of Walla Walla  
 Martin Chaw, John Ghilarducci, FCS GROUP  
**RE:** Walla Walla Ambulance 2021 Utility Model Review

**Date:** June 22, 2021

## AMBULANCE UTILITY MODEL REVIEW

In 2019, the City of Walla Walla (“City”) contracted with FCS GROUP to perform a cost-of-service study for the City’s ambulance utility. As part of this study, FCS GROUP developed an analytical model to allocate costs within the City’s General Fund and Ambulance Fund. In 2021, the City contracted with FCS GROUP for an independent peer review of the edits the City made to the model to forecast an ambulance utility fee based on the City’s 2023 forecast budget (“2021 model”).

### METHODOLOGY CHANGES

The major methodological change is the exclusion of the In City / Out of City allocation from projected costs and revenues. In the 2019 study, \$1.4 million in costs were allocated to ambulance services provided outside of the City, with \$400,000 in revenue collected for these services. In the 2021 model, this analysis is not considered—meaning that both costs and revenues associated with Outside of City services are included in the analysis. Thus, the calculated results may include a subsidy by ratepayers for out of City services. However, this subsidy is currently being borne by the General Fund, so a more detailed analysis would be required to determine how this would change. It is common for cities to effectively subsidize Out of City customers, and the City has limited options for recovering revenue from Out of City fire districts, so **FCS GROUP concurs with this exclusion.**

### DATA REVIEW

#### Budget Tabs

Overall, few changes were made to the allocations on the ambulance fund and general fund budget tabs. In the 2019 study, several employees were broken out into a separate allocation (see **Exhibit 1**). These employees are not shown in the reviewed model, and their positions are allocated in the overall ambulance personnel costs shown.

**Exhibit 1: Employees Separately Allocated (2019 Study)**

Judy Jerome / EMS Clerk	\$	30,886	11	All to EMS
Brad Morris / Deputy Chief (Paramedic)	\$	75,244	10	Time Allocation (Amb Fund)
Jennifer Scott / Medical Coding & Compliance	\$	35,144	11	All to EMS
Bob Yancey / Chief	\$	83,300	10	Time Allocation (Amb Fund)



In addition, the 2019 study recorded an estimated \$3.9 million in ambulance fund costs, whereas the updated model has \$5.1 million in costs. The General Fund budget increased from \$4.8 to \$5.0 million. The updated model uses the same allocation factor data as the previous study, so any changes in allocations are a result of budgeting changes. Overall, the updated budget increases from \$8.8 million to \$10.1 million, with the total allocation to ambulance services increasing from \$7.2 million to \$8.3 million. The updated allocations are shown in **Exhibit 2**.

**Exhibit 2: Ambulance Fund Projected Costs**

Fund	Fire	ALS	BLS	Total
General Fund	\$ 1,440,571	\$ 3,108,654	\$ 409,268	\$ 4,958,493
Ambulance Fund	349,839	4,409,059	385,513	5,144,411
<b>Total</b>	<b>\$ 1,790,411</b>	<b>\$ 7,517,713</b>	<b>\$ 794,781</b>	<b>\$ 10,102,904</b>

Costs allocated to Advanced Life Services and Basic Life Services (ALS and BLS) are costs associated with ambulance services, and thus eligible for recovery through ambulance rates. In total, this represents \$8.3 million in ambulance service costs.

## Customer Allocations Tab

The City provided updated estimates of the potential customer base within the City. The distribution of billing units is shown in **Exhibit 3**.

**Exhibit 3: Equivalent Units (Updated Model)**

Customer Class	Regular	Percent of Billing Units
Commercial	860	8%
Industrial	10	0%
Multiple Dwelling	662	7%
Residential	8,496	84%
Public	62	1%
City of Walla Walla	38	0%
<b>Total</b>	<b>10,128</b>	<b>100%</b>

This represents a decrease of about 2,000 billing units from the estimates in the 2019 study. This reduction is mostly driven by a reduction in assumed units for multi dwelling accounts, with some of the difference in a reduction is single-family residential accounts. **FCS GROUP concurs with the City's updated estimates of the customer base.**

## RATE DESIGN TAB

As stated previously, the rate design tab does not take the distinction of Out of City costs and revenues into account, and thus both are included. This results in an effective subsidy for Out of City services. It should be noted that the General Fund is currently bearing this cost. The offsetting revenues are shown in **Exhibit 4**.

**Exhibit 4: Offsetting Revenues**

Total Revenue	Availability	Demand	Total
429.000.33293.0000 Ground Emergency Medical Transportation		\$ 540,000	\$ 540,000
429.000.33404.9000 Dpt Of Health-Trauma Care		\$ 1,270	\$ 1,270
429.000.33826.0000 WW County Dept EMS Levy	\$ 1,715,530		\$ 1,715,530
429.000.34260.1200 BLS-Non-Emergency WW County Resident		\$ 25,000	\$ 25,000
429.000.34260.1400 BLS Emergency - WW County Resident		\$ 875,000	\$ 875,000
429.000.34260.1600 ALS Non-Emergency - WW County Resident		\$ 6,600	\$ 6,600
429.000.34260.1800 ALS Emergency - WW County Resident		\$ 1,200,000	\$ 1,200,000
429.000.34260.1900 ALS Level 2 - WW County Resident		\$ 52,000	\$ 52,000
429.000.34260.2100 BLS-Non-Emergency - Non County Resident		\$ 1,000	\$ 1,000
429.000.34260.2300 BLS Emergency - Non County Resident		\$ 40,500	\$ 40,500
429.000.34260.2600 ALS-Non-Emergency - Non County Resident		\$ 15,000	\$ 15,000
429.000.34260.2800 ALS Emergency - Non County Resident		\$ 60,000	\$ 60,000
429.000.34260.2900 ALS Level 2 - Non County Resident		\$ 7,000	\$ 7,000
429.000.34260.4000 VA Contract-Out of County Calls		\$ 20,000	\$ 20,000
429.000.34260.4200 VA Contract - WW County Transports		\$ 3,500	\$ 3,500
429.000.34260.5000 Special Contracts	\$ 36,000		\$ 36,000
429.000.34260.6000 Mileage Charges		\$ 132,000	\$ 132,000
429.000.34261.7000 Admin Fees - Copies	\$ 500		\$ 500
429.000.34261.7500 Other Fees & Charges	\$ 5,000		\$ 5,000
429.000.34264.0000 Ambulance Fee Collectable	\$ 20,000		\$ 20,000
429.000.34265.0000 State Adjustments		\$ (475,000)	\$ (475,000)
429.000.34266.0000 Federal Adjustments		\$ (675,000)	\$ (675,000)
429.000.36140.0000 AR collection fees & interest	\$ 1,500		\$ 1,500
429.000.36990.0000 Miscellaneous	\$ 150		\$ 150
			\$ -
<b>Total Revenue</b>	<b>\$ 1,778,680</b>	<b>\$ 1,828,870</b>	<b>\$ 3,607,550</b>

This revenue is then deducted from the costs entered on the ambulance fund tab, resulting in a net cost of \$1.7 million. Divided by the 10,128 billable units shown in **Exhibit 3**, this results in a calculated annual cost per account of \$464.55, or \$38.71 per month, as shown in **Exhibit 5**.

$$\frac{\$8,312,494 - \$3,607,550}{10,128} = \$464.55$$

Charging the maximum defensible fee could result in a significant impact to City residents. Thus, FCS GROUP developed an alternative approach, where only costs included in the ambulance fund would be recovered through an ambulance utility rate. This would result in a financially self-sustaining ambulance fund. If only the costs associated with ambulance services are included, the \$8.3 million in costs is reduced to \$5,144,411, and the net cost basis reduced to \$1,536,861. This results in a monthly fee of \$12.65, or an annual fee of \$151.74.

$$\frac{\$5,144,411 - \$3,607,550}{10,128} = \$151.74$$

It should be noted that by not including General Fund costs in the fee calculation, the City would be foregoing several million dollars in potential fee revenue. FCS GROUP's 2019 report calculated the equivalent fee (including the Out of City subsidy), as \$25.06 per month, or \$300.72 per year.

# Public Hearing Ambulance Utility Fee

August 11, 2021

# Why Are We Considering A Utility Fee?

The City's Ambulance fund financial condition has been considerably weakened over the past few years, due to:

- Restrictions in Medicare/Medicaid payment;
- Operational costs; and
- Neighboring jurisdictions entering BLS and now ALS ambulance service.

These conditions have a significant negative financial impact, resulting in:

- Today we have a \$1.2 million deficit annually in our Ambulance fund which is expected to grow to \$1.5 million in 2023.
- We currently have a \$769,710 deficit in our ambulance vehicle replacement fund.
- The Ambulance has no reserve funds, though City financial policy is a 15% reserve, a deficit of \$765,000.
- Financial emergencies require funds to be shifted from other sources, which can affect critical services such as police, fire, Library, Streets, and Parks
- The City is budgeted to transfer \$1.2 million from the General Fund to the Ambulance fund in 2021 & 2022.

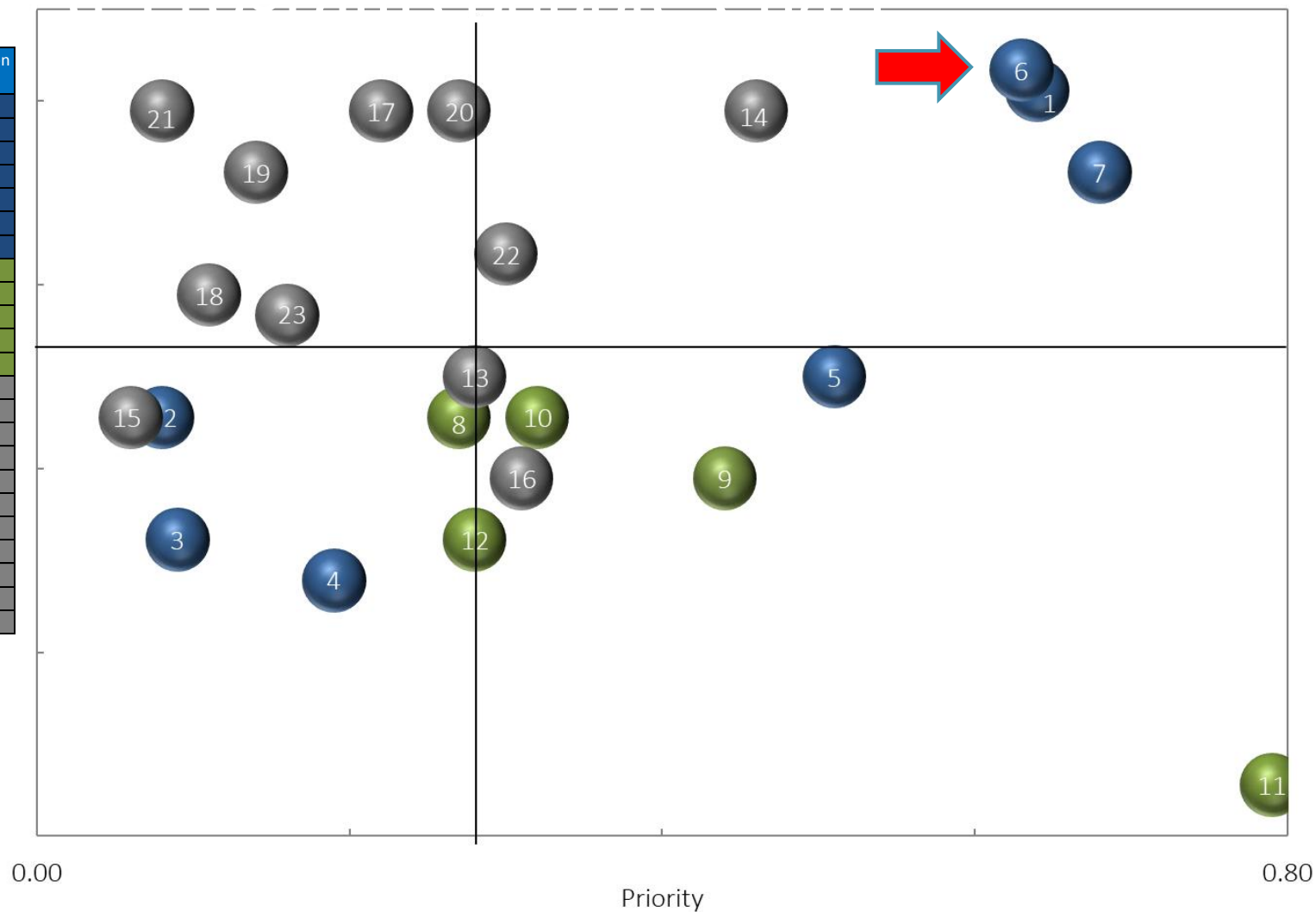
# Citizens Strongly Support Their Ambulance Service

- ▶ The City Fire & Ambulance service consistently receives the highest satisfaction rating of all City Services.
- ▶ In order to sustain the quality of emergency medical service and rapid response our citizens expect, the ambulance service must have reliable vehicles and equipment.
- ▶ To continue to provide quality emergency medical services, the ambulance service must be adequately funded.

# Services & Programs Bubble Chart

Horizontal axis = % of respondents saying service is **MED** or **HIGH** importance,  
Vertical axis = satisfaction w/ service

Question	Question ID
Ambulance services	1
Building inspection	2
Building permitting	3
Responsiveness to code complaints	4
Crime prevention program	5
Fire services	6
Police services	7
Bicycle lanes and paths	8
Sidewalks	9
Street lighting	10
Street maintenance	11
Tree maintenance/replacement	12
City communications with citizens	13
City parks	14
Compost services	15
Curbside recycling	16
Garbage collection	17
Green waste collection	18
Landfill services	19
Library services	20
Mountain View Cemetery	21
Parks and Recreation programs/classes	22
Park rest rooms	23



# Rate and Account Implementation

- ▶ Ambulance Utility Rate proposed as a flat rate of \$12.65 per utility account per month in each occupancy classification.
- ▶ Use the occupancy and utility accounts established through the City Utility Billing program.

**Commercial** - Any building or group of buildings where a business or a combined residence and business is practiced.

**Industrial** - All manufacturing and processing establishments.

**Multiple Dwelling** - multiple-family dwelling units to include 2, 3, and 4 plex's.

**Residential dwelling** - all one-family dwelling units.

**Public** - All city, county, state, and federal institutions, schools, parks, and or other public owned institutions, with the exception of Walla Walla municipal corporation and its departments.

**City of Walla Walla** - city of Walla Walla municipal corporation and its departments and operations conducted on behalf of the city on property owned by the city.

# Rate and Account Implementation

- ▶ Ambulance Utility Rate proposed as a flat rate per utility account in each occupancy classification

Customer Class	# of Accounts
Residential	8,496
Commercial	860
Multiple-Dwelling	662
Public	62
City of Walla Walla	38
Industrial	10
<b>Total</b>	<b>10,128</b>



# Proposed Ambulance Utility Rate

- ▶ The Ambulance Utility is proposed to start in 2023, providing businesses and residents 16 months lead time.
- ▶ The rate, as determined by the FCS study, will be \$12.65 per utility.
- ▶ Ambulance transport and other service fees will stay the same.
- ▶ With the implementation of the Ambulance Utility Fee, we anticipate the level of service will be improved by enhancing the state-of-readiness through increased funding for equipment and vehicle replacement.

# Summary of Fire and Ambulance current revenue sources

Fire Department COWW Expenses Budget and Estimate	Budget	Budget	Estimate
Expenses	2021	2022	2023
Ambulance	4,459,790	4,531,780	5,144,411
Fire	4,737,590	4,715,240	4,958,493
<b>Total Ambulance and Fire Expenses</b>	<b>\$ 9,197,380</b>	<b>\$ 9,247,020</b>	<b>\$ 10,102,904</b>
<b>Fire Department Expenses Split Per FCS Study</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
FCS Study Ambulance Expenses	7,567,604	7,608,448	8,312,494
FCS Study Fire Expenses	1,629,776	1,638,572	1,790,410
<b>Total</b>	<b>\$ 9,197,380</b>	<b>\$ 9,247,020</b>	<b>\$ 10,102,904</b>
<b>Fire Department Revenues</b>	<b>Budget</b>	<b>Budget</b>	<b>Estimate</b>
	<b>2021</b>	<b>2022</b>	<b>2023</b>
Ambulance - Charges for Services, GEMT and EMS Levy	3,567,020	3,457,020	3,607,550
General Fund Transfer-in	1,040,000	1,165,000	-
Ambulance Utility Fee	-	-	1,500,000
<b>Total Fire Department Revenue</b>	<b>\$ 4,607,020</b>	<b>\$ 4,622,020</b>	<b>\$ 5,107,550</b>
<b>GF Contribution of Ambulance FCS Expenses</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
FCS Ambulance Expenses Less Ambulance Revenues	4,000,584	4,151,428	4,704,944
Add GF Transfers	1,040,000	1,165,000	
(Less) Ambulance Utility Fee Revenue			1,500,000
<b>Total General Fund Contribution of FCS Ambulance Expenses</b>	<b>\$ 5,040,584</b>	<b>\$ 5,316,428</b>	<b>\$ 3,204,944</b>
<b>Total Percentage of Ambulance FCS Expense Support from General Fund</b>	<b>66.61%</b>	<b>69.88%</b>	<b>38.56%</b>

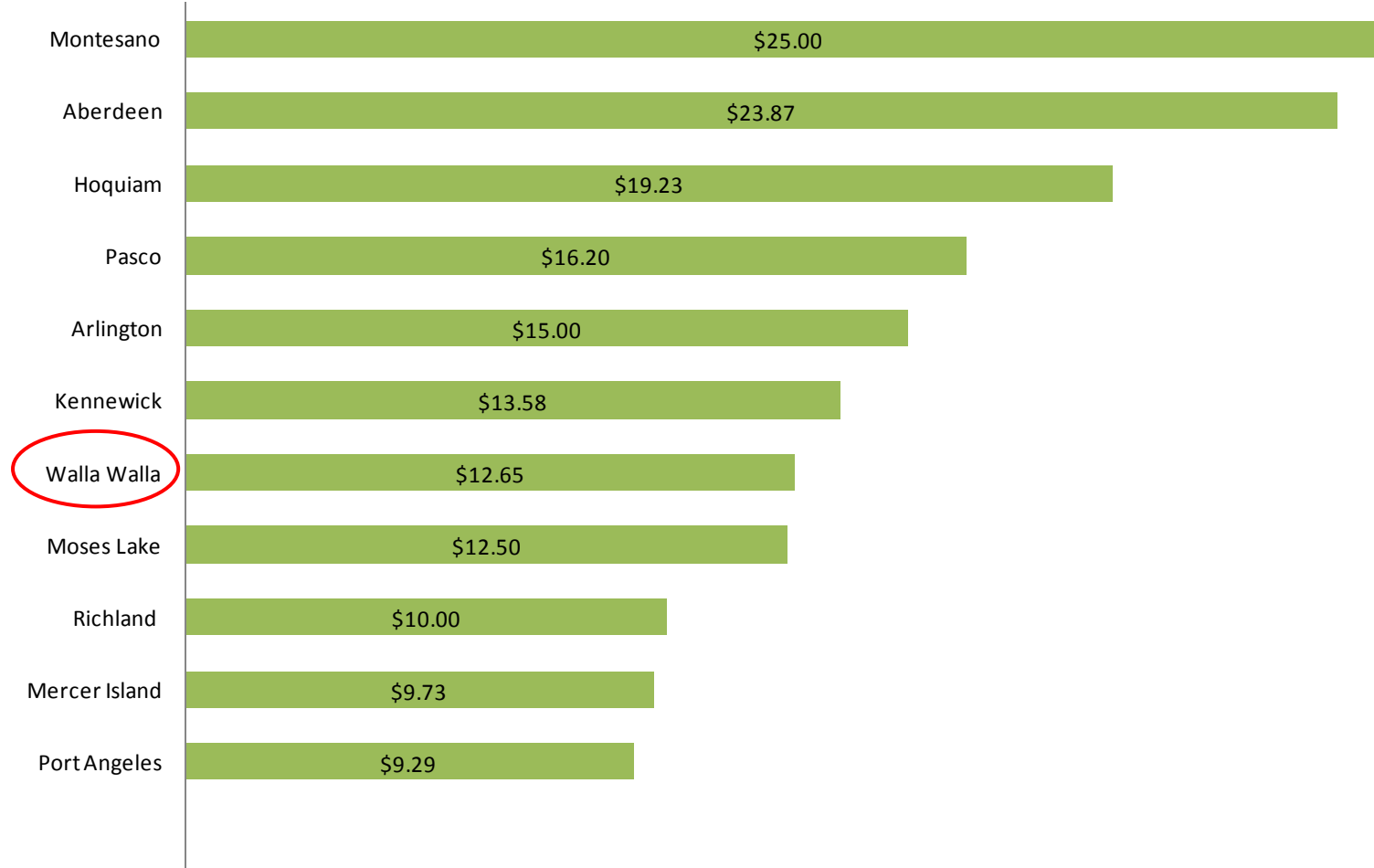
# Summary of Fire and Ambulance current revenue sources

<b>Fire Department Expenses Split using FCS Study</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Ambulance	7,567,604	7,608,448	8,312,494
Fire	1,629,776	1,638,572	1,790,410
<b>Total</b>	<b>\$ 9,197,380</b>	<b>\$ 9,247,020</b>	<b>\$ 10,102,904</b>

<b>General Fund Contributions of FCS Fire Department Expenses</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Total General Fund Contribution of FCS Ambulance Expenses	5,040,584	5,316,428	3,204,944
Total General Fund Contribution of FCS Fire Prevention Expenses - Less Fire Revenue	1,629,776	1,638,572	1,790,410
<b>Total General Fund Contribution all Fire Department Expenses</b>	<b>6,670,360</b>	<b>6,955,000</b>	<b>4,995,354</b>
<b>Total Percentage of Fire Department FCS Expense Support from General Fund</b>	<b>72.52%</b>	<b>75.21%</b>	<b>49.44%</b>

# Monthly Ambulance Utility Rates



# Again, why we are considering the Ambulance Utility Fee

- ▶ The ambulance vehicle and equipment replacement fund hasn't been fully funded since 2016 due to inadequate revenues.
- ▶ This resulted in the total replacement reserve balance being short \$769,710 based on the determined replacement schedule and model calculations.
- ▶ Currently no reserve fund (City financial policy is 15%), a \$765,000 deficit.
- ▶ Maintain the quality of emergency medical service and rapid response our residents expect.
- ▶ Potential General Fund impact without the Ambulance Utility Fee
  - ▶ Reduce Library funding
    - ▶ Current 2021 budget = \$1.28 million
  - ▶ Reduce Parks funding
    - ▶ Current 2021 budget = \$4.45 million

# Staff Recommendation

- ▶ Adopt the \$12.65 Ambulance Utility Fee to begin January 1, 2023.

# Questions?





ar-4324

Pgs. 176-183

**City Council - Regular Meeting**

**Meeting Date:** 08/11/2021

**Item Title:** Professional Services Contract with Hewitt for design and construction management of Heritage Square Project

**Submitted For:** Andy Coleman, Parks and Recreation, Parks Administration

**Financial Comments:**

Professional services contract for time and materials not to exceed \$567,325

Total cost of project is \$2.5 million, including design.

City Council allocated \$1.6 million in ARPA funds to this project at its meeting on June 23, 2021.

**Project Funding**

Recreation & Conservation Office Grant	\$500,000
Port of Walla Walla	\$200,000
City of Walla Walla (proceeds from sale of Par 72 property)	\$200,000
American Rescue Plan Funds	\$1,600,000
<b>Total</b>	<b>\$2,500,000</b>

**All Contracts:**

Yes

**Federally funded contracts only:**

Yes

**Construction contracts only:**

Not Applicable

**Brief Summary of Requested Action:**

Authorize a professional services contract with Hewitt for design of Heritage Square in the amount not to exceed \$567,325

---

**Information**

**HISTORY:**

WHAT IS THIS CONTRACT FOR? Design and construction phase services for Heritage Square. Professional services include:

- surveying
- geotechnical engineering
- permitting
- landscape architecture
- architecture
- civil engineering
- structural engineering
- mechanical, electrical, and plumbing engineering
- ADA evaluation
- cost estimating



- construction phase services

WHY DO WE NEED TO HIRE A CONSULTANT FOR THIS WORK? There are multiple aspects of this project that staff does not have the necessary expertise or qualifications to perform.

IS THE COST FAIR AND REASONABLE? The typical rate for design and construction services is 20-30% of the estimated construction cost. This contract falls within that range. Staff anticipated it would be on the higher end of the range due to the specialized work involved.

CONSULTANT SELECTION: In late 2017/early 2018, staff conducted a Request for Qualifications (RFQ) process and identified Hewitt as the most qualified firm (in accordance with RCW 39.80) to produce a master plan/conceptual design for the rebuild of Heritage Square. In March of 2018, Council authorized a contract with Hewitt to produce design concepts for the rebuild of Heritage Square (Resolution 2018-30).

The 2017 RFQ provided the option to the city to continue work with the selected consultant for final design the project.

Staff recommends Hewitt complete the design and provide construction phase services for the project and has negotiated the scope of work and not-to-exceed fee for those services.

SCHEDULE: The project is anticipated to advertise for bids in the spring of 2022 with construction being completed by the end of 2022.

HISTORY/BACKGROUND: In December 2018, Council adopted the conceptual design for Heritage Square (prepared by Hewitt) by Resolution 2018-133 after a nine-month public design process

### **POLICY ISSUES:**

Contracts greater than \$20,000 require City Council authorization

### **PLAN COMPLIANCE:**

#### STRATEGIC PLAN:

- Fix and Improve the City's Infrastructure
- Encourage Economic Development to Strengthen the Community

#### COMPREHENSIVE PLAN:

- Community Character Policy 4.1: Carefully protect and enhance Downtown's visual character, the most important single aspect of the city's identity, through historic preservation activities, complementary infill development, and sensitively designed public works.
- Land Use Policy 1.6: Develop Walla Walla's downtown in a way that encourages sustainability and supports community vitality.
- Economic Development Policy 6.2: Encourage Downtown's continued revitalization through appropriate development, redevelopment, and rehabilitation.
- Economic Development Policy 8.2: Maintain and improve the built environment of sidewalks, parks, paths and other public amenities that visitors will enjoy and utilize.
- Parks & Recreation Policy: 1.9 Evaluate existing parks and facilities to maximize efficient

maintenance and operating practices and improve safety and accessibility for all users.

**ALTERNATIVES:**

- Direct staff to identify an alternative design firm
- Choose not to rebuild Heritage Square

**STAFF RECOMMENDATION:**

Approve a resolution authorizing a professional service contract with Hewitt for design and construction phase services for Heritage Square.

**CITY MANAGER COMMENTS:**

Approved for City Council action.

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**Attachments**

Res 2021-113  
site plan  
concept picture 1  
concept picture 2

---

**RESOLUTION NO. 2021-113**

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF WALLA WALLA AND HEWITT ARCHITECTS, INC. FOR THE DESIGN OF IMPROVEMENTS TO HERITAGE SQUARE PARK AND RELATED WORK, TO EXECUTE AMENDMENTS, MODIFICATIONS, AND CHANGE ORDERS THERETO, AND TAKING SUCH FURTHER ACTION NEEDED THEREWITH

WHEREAS, the City of Walla Walla passed Municipal Ordinance A-2405 on May 13, 1970 which classified the City of Walla Walla as a nonchartered code city under Title 35A of the Revised Code Washington (RCW); and

WHEREAS, the Washington Supreme Court held in *U. S. v. Town of Bonneville*, 94 Wn.2d 827, 832, 621 P.2d 127 (1980) that optional code cities organized under RCW Title 35A have “‘the broadest powers of local self-government consistent with the Constitution of this state.’ RCW 35A.01.010. Such municipalities are capable of entering into contracts without restriction[.]” and

WHEREAS, the City requires design services and related work for improvements to Heritage Square Park; and

WHEREAS, the City of Walla Walla published a request for qualifications on November 6, 2017 requesting submission of statements of qualifications and performance data from by qualified professionals; and

WHEREAS, the City of Walla Walla evaluated the statement of qualifications and performance data of those parties and firms on file with the City of Walla Walla, and found that Hewitt is the most qualified firm to provide such services to the City of Walla Walla; and

WHEREAS, the Walla Walla City Council passed City Resolution 2018-30 (Mar. 28, 2018) authorizing execution of an agreement with Hewitt Architects Inc. to prepare a master plan for Heritage Square Park; and

WHEREAS, the City requires additional design and related services, and Hewitt Architects Inc. is the most qualified firm to provide such additional services; and

WHEREAS, the price of the professional services contract negotiated with Hewitt Architects Inc. is fair and reasonable to the City of Walla Walla; and

WHEREAS, the Walla Walla City Council has considered this matter during a regularly and duly called public meeting of said Council, has given said matter careful review and consideration, and finds that good government and the best interests of the City of Walla Walla will be served by passage of this resolution,

**NOW THEREFORE, the City Council of the City of Walla Walla do resolve as follows:**

**Section 1:** The City Manager of the City of Walla Walla is hereby authorized, empowered and directed to execute an agreement on behalf of the City of Walla Walla

with Hewitt Architects Inc. to design improvements for Heritage Square Park and related work.

**Section 2:** The City Manager of the City of Walla Walla is hereby authorized and empowered to execute amendments, modifications, and change orders to the contract approved by section 1 herein on behalf of the City of Walla Walla, provided that sufficient appropriations have been made by the Walla Walla City Council, and provided further the aggregate value of all additional amendments, modifications, and change orders may not exceed twenty thousand dollars (\$20,000.00) or ten percent (10%) of the original contract amount, whichever is greater.

**Section 3:** The City Manager of the City of Walla Walla is also hereby authorized and empowered to execute amendments, modifications, and change orders to the contract authorized by section 1 herein, which do not materially alter such contract, and do not increase the financial obligations beyond amounts authorized by sections 1 and 2 herein.

**Section 4:** The City Clerk of the City of Walla Walla is hereby authorized and directed to attest the contract and any amendments, modifications or change orders authorized by this resolution, and to attach to each duplicate thereof a copy of this resolution.

**PASSED** by the City Council of the City of Walla Walla, Washington, August 11, 2021.

---

Mayor

Attest:

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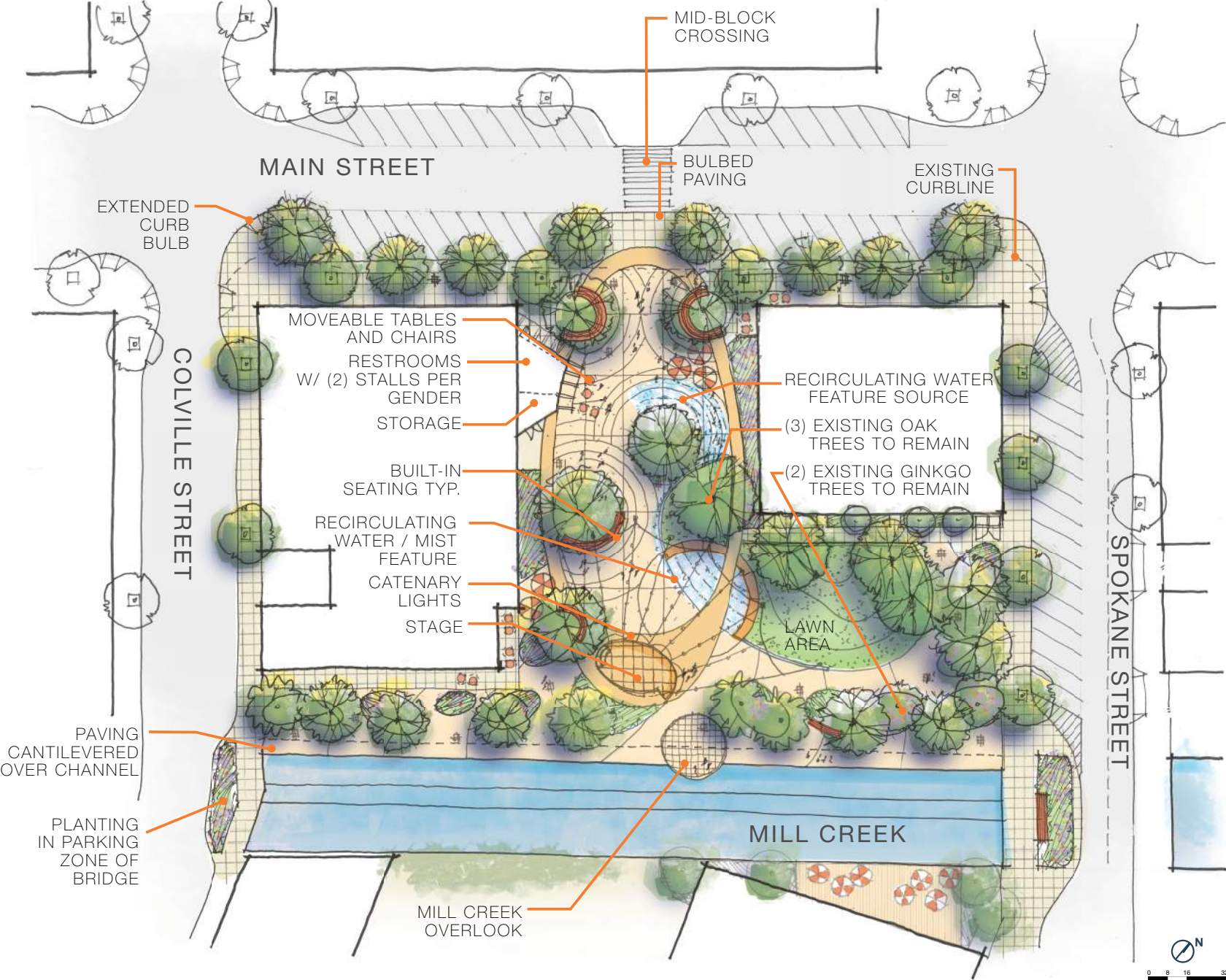
City Clerk

Approved as to form:

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City Attorney

Master Plan







HEWITT







ar-4306

Pgs. 184-196

**City Council - Regular Meeting**

**Meeting Date:** 08/11/2021

**Item Title:** Ambulance cot power load system purchase with use of ARPA Funds

**Submitted For:** Eric Wood, Fire/Ambulance Department

**Financial Comments:**

The purchase of this Power Load system includes the following:

- 1- new Power-Pro XT cot (required to be compatible with the Power Load system): \$20,993.62
- 1- Power Load System (installed in ambulance): \$23,211.13

Total cost for purchase including sales tax and \$2,500 trade in of an older cot owned by WWFD : \$45,416.47

Installation provided by 3rd party company : \$1,400

Total cost with installation: \$46,816.47 out of BARS number 51859448 Object Code 6400. A budget transfer will occur on July 28th to cover this expense from the associated BARS number provided above.

**All Contracts:**

Not Applicable

**Federally funded contracts only:**

Yes

**Construction contracts only:**

Not Applicable

**Brief Summary of Requested Action:**

The Walla Walla Fire Department is looking to purchase a new cot and power load system to be installed in one of our current ambulances. Currently, our two front-line advanced life support ambulances are supported with the power load system which reduces the physical lifting required to load patients into the ambulance for transport. With use of the ARPA funding that were received, we will be able to provide a third advanced life support unit to be supported with the power load system. This will limit the amount of personnel needed to physically load a patient into the patient compartment of the ambulance. This is a direct benefit to reduce potential exposure when dealing with COVID patients.

This is a sole source purchase based on the fact:

1. Our current power load systems are Stryker brand
2. Cots from other manufactures are not compatible with our current Stryker system.
3. The only other supplier offers a hydraulic vertical lift system, not a complete power load system.

The expense, with use of the ARPA funds, is eligible per the Interim Final rule Section C General Government Services.



## **HISTORY:**

The Walla Walla Fire Department currently maintains and operates 5 advanced life support units with two of those units being utilized as front line apparatus, two ambulances which are cross staffed by our front line fire engines and one unit is utilized for reserve status. The front line medic units both have the power load systems installed and are in current use. The purchase of another power load system would allow a third, frequently utilized, ambulance to have this system installed for our members use. The power load system utilizes a complete hydraulic lift system which replaces the physical demand of lifting patients into the patient compartment of the ambulance. The use of the power load system has the potential to reduce back injuries from lifting as well as reduce the amount of people needed to lift a patient into the ambulance, thus reducing our exposure to potential infections diseases.

## **POLICY ISSUES:**

City of Walla Walla Purchasing Policy

### **IV. Purchasing Methods**

#### **D. Bid and Quote Levels**

##### **c. \$20,000 or more: Formal bid process**

\* There is only one manufacturer of a power load system in the ambulance EMS industry that is completely hands off.

\* Stryker is utilized in all of our apparatus, and standardization is necessary for continuity of operation.

## **PLAN COMPLIANCE:**

**STRATEGIC PLAN: Strategic Initiative 5 - Mid Term : Achieve organizational and city resiliency**

1. Emergency Management planning and preparation (Long Term): The use of the Power Load system allows a single individual to safely load a patient into the patient compartment of the ambulance. This has proven to be vital when dealing with suspected COVID patients and reducing exposure to emergency providers.

**COMPREHENSIVE PLAN: Capital Facilities and Utilities Goal 5** The sound fiscal management of government services and facilities promotes a transparent and collaborative relationship between government and residents.

CFU Policy 5.3 Anticipate and control demand for services to ensure that the City can maintain an appropriate level of service within its financial resources while serving new growth: The demand for service at the Walla Walla Fire Department continues to increase and since the onset of the Pandemic we will have to continue to adjust how we provide service to our citizens while limiting the amount of exposure to our members. This purchase will provide the members of Walla Walla Fire Department the ability to ensure that we are providing an appropriate level of service while accounting for the safety of our patients and members.

## **ALTERNATIVES:**

Without the purchase of the power load system, we can continue to provide the service to our citizens while utilizing manual lifting techniques with use of multiple personnel.

## **STAFF RECOMMENDATION:**

Staff recommends the purchase of one new Power Pro XT cot and power load system with use of the ARPA funds.

**CITY MANAGER COMMENTS:**

Approved for City Council action.

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**Attachments**

Res 2021-114

Stryker Quote

Stryker Sole Source

Proof of non-debarment

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## **RESOLUTION NO. 2021-114**

**A RESOLUTION AUTHORIZING THE PURCHASE OF AMBULANCE EQUIPMENT FROM STRYKER AND TAKING SUCH FURTHER ACTION NEEDED THEREWITH**

WHEREAS, the City of Walla Walla passed Municipal Ordinance A-2405 on May 13, 1970 which classified the City of Walla Walla as a nonchartered code city under Title 35A of the Revised Code Washington (RCW); and

WHEREAS, the Washington Supreme Court held in *U. S. v. Town of Bonneville*, 94 Wn.2d 827, 832, 621 P.2d 127 (1980) that optional code cities organized under RCW Title 35A have “the broadest powers of local self-government consistent with the Constitution of this state.” RCW 35A.01.010. Such municipalities are capable of entering into contracts without restriction[.]”and

WHEREAS, the City Fire Department requires an ambulance cot and related equipment; and

WHEREAS, section 39.04.280 of the Revised Code of Washington provides supplementary authority to cities to waive competitive bidding requirements for purchases which are clearly and legitimately limited to a single source of supply; and

WHEREAS, the City Fire Department has several vehicles in its emergency services fleet which utilize Stryker equipment, and it is essential that any new equipment be compatible with the existing equipment; and

WHEREAS, the procurement of ambulance equipment compatible with the existing city fleet is clearly and legitimately the single source of supply, and, any competitive bidding requirements which may apply are waived; and

WHEREAS, the Walla Walla City Council has considered this matter during a regularly and duly called public meeting of said Council, has given this matter careful review and consideration, and finds that good government and the best interests of the City of Walla Walla will be served by passage of this resolution,

**NOW THEREFORE, the City Council of the City of Walla Walla do resolve as follows:**

**Section 1:** The contract to construct and furnish ambulance cots and related equipment to the City of Walla Walla is hereby awarded to Stryker, and the City Manager of the City of Walla Walla, and designees of the City Manager, are hereby authorized, empowered and directed to purchase such equipment from Stryker, and execute such purchase orders, contracts, agreements, and other documents that may be required to make such purchases; provided that sufficient appropriations therefor have been made by the Walla Walla City Council.

**Section 2:** The City Manager of the City of Walla Walla is hereby authorized and empowered to execute amendments, modifications, and change orders to the contract

approved by section 1 herein on behalf of the City of Walla Walla, provided that sufficient appropriations have been made by the Walla Walla City Council.

**Section 3:** The City Clerk of the City of Walla Walla is hereby authorized and directed to attest the agreement approved by section 1 herein and any amendments, modifications or change orders authorized by section 2 herein, and to attach to each duplicate thereof a copy of this resolution.

**Section 4:** The following described equipment is hereby declared surplus, and the City Manager, and designees of the City Manager, are authorized to dispose of it in such manner that are determined to be in the best interests of the City of Walla Walla:

Description	Asset Tag number
Stryker Power Pro XT cot	5161

The City Manager, and designees of the City Manager, are additionally authorized to execute such bills of sale, conveyances, and other documents that transfer title to the equipment.

**Section 5:** The Walla Walla City Council finds that the supply and installation of the ambulance cot and related equipment needed by the City is clearly and legitimately limited to a single source of supply, and, any competitive bidding requirements which may apply are waived.

**PASSED** by the City Council of the City of Walla Walla, Washington, August 11, 2021.

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
City Attorney



## Walla Walla FD - 1 x Power System

Quote Number: 10380804

Remit to:

**Stryker Medical**

Version: 1

P.O. Box 93308

Prepared For: WALLA WALLA FIRE DEPT

Chicago, IL 60673-3308

Attn:

Rep:

Grant Sentz

Email:

grant.senz@stryker.com

Phone Number:

Quote Date: 06/29/2021

Expiration Date: 09/27/2021

### Delivery Address

Name: WALLA WALLA FIRE DEPT

Account #: 1293797

Address: 170 N WILBUR AVE

WALLA WALLA

Washington 99362-2548

### End User - Shipping - Billing

Name: WALLA WALLA FIRE DEPT

Account #: 1293797

Address: 170 N WILBUR AVE

WALLA WALLA

Washington 99362-2548

### Bill To Account

Name: CITY OF WALLA WALLA

Account #: 1293796

Address: 15 N 3RD AVE

WALLA WALLA

Washington 99362-1859

### Equipment Products:

#	Product	Description	Qty	Sell Price	Total
1.0	6506000000	Power-PRO XT	1	\$20,993.62	\$20,993.62
1.1	6085033000	PR Cot Retaining Post			
1.2	7777881669	3 Yr X-Frame Powertrain Wrnty			
1.3	7777881670	2 Yr Bumper to Bumper Warranty			
1.4	6506026000	Power Pro Standard Components			
1.5	6500001430	X-RESTRAINT PACKAGE			
1.6	0054030000	DOM SHIP (NOT HI, AK, PR, GM)			
1.7	6506600000	English Manual			
1.8	6500082000	Knee-Gatch/Trendelenburg			
1.9	6506038000	Steer Lock Option			
1.10	6092036018	J Hook			
1.11	6506127000	Power-LOAD Compatible Option			
1.12	6500038000	SMRT KIT-120V AC,12V DC, Brckt			
1.13	6500003130	KNEE GATCH BOLSTER MATRSS, XPS			
1.14	6506040000	XPS Option			
1.15	6085046000	Retractable Head Section O2			
1.16	0054200994	NO RUNNER			
1.17	6500315000	3 Stage IV Pole PR Option			



## Walla Walla FD - 1 x Power System

Quote Number: 10380804

Remit to: **Stryker Medical**

Version: 1

P.O. Box 93308

Prepared For: WALLA WALLA FIRE DEPT

Chicago, IL 60673-3308

Attn:

Rep: Grant Sentz

Email: grant.sentz@stryker.com

Phone Number:

Quote Date: 06/29/2021

Expiration Date: 09/27/2021

#	Product	Description	Qty	Sell Price	Total
1.18	6506012003	STANDARD FOWLER			
1.19	639000010902	LABEL, WIRELESS			
1.20	6500130000	Pocketed Back Rest Pouch			
1.21	6500128000	Head End Storage Flat			
1.22	6500147000	Equipment Hook			
2.0	639005550001	MTS POWER LOAD	1	\$23,211.13	\$23,211.13
Equipment Total:					\$44,204.75

### Trade In Credit:

Product	Description	Qty	Credit Ea.	Total Credit
TR-SPCOT-PPXT	TRADE-IN-STRYKER POWER COT TOWARDS PURCHASE OF POWERPRO XT	1	-\$2,500.00	-\$2,500.00

### Price Totals:

Estimated Sales Tax (8.900%):	\$3,711.72
Freight/Shipping:	\$0.00
Grand Total:	\$45,416.47

Prices: In effect for 60 days.

Terms: Net 30 Days

Contact your local Sales Representative for more information about our flexible payment options.

**Capital Terms and Conditions:**

Deal Consummation: This is a quote and not a commitment. This quote is subject to final credit, pricing, and documentation approval. Legal documentation must be signed before your equipment can be delivered. Documentation will be provided upon completion of our review process and your selection of a payment schedule. Confidentiality Notice: Recipient will not disclose to any third party the terms of this quote or any other information, including any pricing or discounts, offered to be provided by Stryker to Recipient in connection with this quote, without Stryker's prior written approval, except as may be requested by law or by lawful order of any applicable government agency. A copy of Stryker Medical's Acute Care capital terms and conditions can be found at [https://techweb.stryker.com/Terms\\_Conditions/index.html](https://techweb.stryker.com/Terms_Conditions/index.html). A copy of Stryker Medical's Emergency Care capital terms and conditions can be found at <https://www.strykeremergencycare.com/terms>.



## SOLE SOURCE JUSTIFICATION FORM

Item: Stryker Power Pro XT cot and Power Load System

1. Describe the item and its function.  
Stryker's Power Pro XT cot and power load system is an advanced cot and load system that is designed to remove the physical demand of lifting the cot and patient into the patient compartment of the ambulance. This system is designed to utilize hydraulic lifting capabilities with a push of a button, reducing the number of personnel needed to load a patient into the ambulance.
2. The item is a sole source<sup>1</sup> because:
  - ☒ sole provider of a licensed or patented good or service
  - ☒ sole provider of items that are compatible with existing equipment, inventory, systems, programs or services
  - ☒ sole provider of factory-authorized warranty service
  - ☐ sole provider of goods or services that will meet the specialized needs of the City or perform the intended function (detail below or in an attachment)
  - ☐ the vendor/distributor is a holder of a used item that would represent good value and is advantageous to the City (attach information on market price survey, availability, etc.)
3. What necessary features does this vendor provide which are not available from other vendors? Be specific.  
This vendor provides a complete hands off approach when loading a patient into the ambulance. Other powered cot providers only provide a hydraulic lift in a vertical fashion, but not a powered loading device.
4. What steps were taken to verify that these features are not available elsewhere?
  - ☒ other brands/manufacturers were examined (list phone numbers and names, and explain why these were not suitable): Ferno 1-877-733-0911
  - ☐ other vendors were contacted (list phone numbers and names, and explain why these were not suitable):
  - ☐ other (please explain): Ferno stretchers are not compatible with the rest of the Stryker fleet utilized at the Walla Walla Fire Department.

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<sup>1</sup> Sole Source: only one vendor possesses the unique and singularly available capability to meet the requirement of the solicitation.



Department: Fire/Ambulance

Department Contact: Eric Wood Phone: 509-524-4605

Requested Vendor: Stryker Medical

Vendor Contact: Grant Sentz Phone: 509-688-9779

Cost Estimate: \$45,416.47

My department's recommendation for sole source is based upon an objective review of the good/service being required and appears to be in the best interest of the City. I know of no conflict of interest on my part or personal involvement in any way with this request. No gratuities, favor, or compromising action have taken place. Neither has my personal familiarity with brands, types of equipment, materials or firms been a deciding influence on my request to sole source this purchase when there are other known suppliers to exist.

  
Signature of Requestor

7/14/21  
Date

  
Signature of Department Head or Designee

7/14/21  
Date

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SAM Unique Entity ID



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☒ Procurement

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☐ NonProcurement

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ar-4291

Pgs. 197-202

**City Council - Regular Meeting**

**Meeting Date:** 08/11/2021

**Item Title:** Ordinance to amend WWMC Chapter 2.33.030 - Civil Service Commission

**Submitted For:** City Council, City Council

**Financial Comments:**

Minor cost impact for commissioner training and making additional copies.

**All Contracts:**

Not Applicable

**Federally funded contracts only:**

Not Applicable

**Construction contracts only:**

Not Applicable

**Brief Summary of Requested Action:**

Adopt Ordinance to amend Walla Walla Municipal Code to increase the number of members on the Civil Service Commission, shorten the term to three years, limiting service to two terms, and changing quorum from 2 to 3 members.

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**Information**

**HISTORY:**

At the June 21, 2021 Work Session, the City Council discussed changes to the composition of the Civil Service Commission and having Steve DiJulio, legal counsel, perform a review of the City's ordinance and other applicable rules and regulations. This proposed ordinance will change the membership of the Civil Service Commission from three members to five members, decreases the term from six years to three years, limits service to two consecutive terms, changes the number of members for a quorum from two to three.

Other amendments may be necessary after Mr. DiJulio completes his review.

**POLICY ISSUES:**

Determines whether the City Council should increase the number of members on the Civil Service Commission, reduce the term for commissioners from six to three years, limits service to two consecutive terms, and changes quorum from two members to three members.

**ALTERNATIVES:**

Make no changes or wait until Mr. DiJulio completes his review of the City's ordinance and make all changes at one time.

**CITY MANAGER COMMENTS:**

Approved for City Council action.

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**Attachments**

Ord 2021-25

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**ORDINANCE NO. 2021-25**

AN ORDINANCE AMENDING SECTION 2.33.030 OF THE WALLA WALLA MUNICIPAL CODE REGARDING THE COMPOSITION AND OPERATION OF THE CITY OF WALLA WALLA'S CIVIL SERVICE COMMISSION

WHEREAS, Article 11, section 11, of the Washington State Constitution provides that the City of Walla Walla "may make and enforce within its limits all such local police, sanitary and other regulations as are not in conflict with general laws;" and

WHEREAS, sections 41.08.030 and 41.12.030 of the Revised Code of Washington (RCW) create local civil service commissions for city firefighters and police officers; and

WHEREAS, RCW 41.08.010 and RCW 41.12.010 provide cities with flexibility to adopt local regulations that substantially accomplish the purpose of the State civil service laws; and

WHEREAS, the provisions adopted by this ordinance substantially accomplish the purposes of Chs. 41.08 and 41.12 RCW; and

WHEREAS, the Walla Walla City Council has considered adoption of this ordinance amending Walla Walla Municipal Code during a regularly and duly called public meeting of said Council, has given careful review and consideration to said ordinance, and finds said ordinance to be in the best interests of the City of Walla Walla;

**NOW THEREFORE, the City Council of the City of Walla Walla ordains as follows:**

**Section 1:** Section 2.33.030 of Walla Walla Municipal Code is hereby amended as follows (added terms are bolded and italicized and removed terms are stricken):

2.33.030 Commission – Created – Appointment – Qualifications – Terms – Removal from office – Quorum

There is created a civil service commission which shall be composed of ~~three~~ ***five*** persons. The members of such commission shall be appointed by the city council. The members of such commission shall serve without compensation. No person shall be appointed a member of such commission who is not a citizen of the United States and a resident of the city and an elector of the county wherein he or she resides. The term of office of such commissioner shall be for ~~six~~ ***three*** years, ***and a commissioner may serve no more than two consecutive terms*** ~~each one term of office expiring each two year period.~~ Any member of such commission may be removed from office for incompetency, incompatibility or dereliction of duty, or malfeasance in office, or other

good cause; provided, however, that no member of the commission shall be removed until charges have been preferred, in writing, due notice and a full hearing had. The members of such commission shall devote due time and attention to the performance of the duties hereinafter specified and imposed upon them by this chapter. ~~Two~~ **Three** members of such commission shall constitute a quorum and the votes of ~~any two members~~ **majority of a quorum** of such commission concurring shall be sufficient for the decision of all matters and the transaction of all business to be decided or transacted by the commission. The commissioners hereunder shall be those serving as the board of civil service commissioners of the city under prior ordinances, rules and regulations, and their terms shall continue for the same period of time that each of said commissioners was appointed prior to the enactment of this chapter.

**Section 2:** The City Clerk and the codifiers of this ordinance are authorized to make necessary clerical corrections to this ordinance including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

**Section 3:** If any portion or part hereof shall be determined to be invalid or unenforceable, it shall be deemed severable from the remainder hereof.

**Section 4:** The Walla Walla City Clerk is authorized to publish a summary of this ordinance in such form approved by the City Attorney.

PASSED by the City Council of the City of Walla Walla, Washington, August 11, 2021.

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

Approved as to Form:

\_\_\_\_\_  
City Attorney



## SUMMARY OF ORDINANCE 2021-25

### AN ORDINANCE AMENDING SECTION 2.33.030 OF THE WALLA WALLA MUNICIPAL CODE REGARDING THE COMPOSITION AND OPERATION OF THE CITY OF WALLA WALLA'S CIVIL SERVICE COMMISSION

The Walla Walla City Council passed an ordinance at its August 11, 2021 regular meeting which in summary:

Amends Section 2.33.030 of Walla Walla Municipal Code to read as follows:

2.33.030 Commission – Created – Appointment – Qualifications – Terms – Removal from office – Quorum

There is created a civil service commission which shall be composed of five persons. The members of such commission shall be appointed by the city council. The members of such commission shall serve without compensation. No person shall be appointed a member of such commission who is not a citizen of the United States and a resident of the city and an elector of the county wherein he or she resides. The term of office of such commissioner shall be for three years, and a commissioner may serve no more than two consecutive terms. Any member of such commission may be removed from office for incompetency, incompatibility or dereliction of duty, or malfeasance in office, or other good cause; provided, however, that no member of the commission shall be removed until charges have been preferred, in writing, due notice and a full hearing had. The members of such commission shall devote due time and attention to the performance of the duties hereinafter specified and imposed upon them by this chapter. Three members of such commission shall constitute a quorum and the votes of a majority of a quorum of such commission concurring shall be sufficient for the decision of all matters and the transaction of all business to be decided or transacted by the commission. The commissioners hereunder shall be those serving as the board of civil service commissioners of the city under prior ordinances, rules and regulations, and their terms shall continue for the same period of time that each of said commissioners was appointed prior to the enactment of this chapter.

The full text of the ordinance will be mailed upon request made to the Walla Walla City Clerk at Walla Walla City Hall, 15 N. Third Ave., Walla Walla, WA 99362.

Summary approved as to form

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City Attorney



ar-4325

**Pgs. 203-213**

**City Council - Regular Meeting**

**Meeting Date:** 08/11/2021

**Submitted For:** Kammy Hill, Support Services

**Add'l Contributors:**

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**Information**

**ITEM TITLE:**

Approval of minutes of July 26, 2021 Work Session and the July 28, 2021 regular meeting.  
(Councilmember Yazmin Bahena absent and to abstain)

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**Attachments**

07-26-21 Minutes

07-28-21 Minutes

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**WALLA WALLA CITY COUNCIL**  
**Work Session Minutes**  
**July 26, 2021**

**1. CALL TO ORDER**

Mayor Scribner called the meeting to order at 4:00 p.m.

Present: Councilmembers Riley Clubb, Myron Huie, Ted Koehler, Steve Moss, Susan Nakonieczny, and Mayor Tom Scribner.

Absent: Councilmember Yazmin Bahena.

City staff in attendance: Deputy City Manager Elizabeth Chamberlain, Parks & Recreation Director Andy Coleman, Fire Chief Bob Yancey, Police Chief Scott Bieber, Human Resources Director Pam Taylor, Arborist Kyle Clemens, Deputy Fire Chief Eric Wood, Police Captain Chris Buttice, and City Clerk Kammy Hill.

Also present: Parks, Recreation & Urban Forestry Advisory Board members Jeff Bloom, Brian Lubbers, and Heidi Dobson; Tim Clancy, consultant with ArborPro; Civil Service Commissioners Pete Van Dyke and Fred Mitchell.

**2. ACTIVE AGENDA**

A. Urban Forestry Management Plan.

Staff introduced the members of the Parks, Recreation & Urban Forestry Advisory Board members and reviewed the importance of trees as a part of the City's infrastructure and the results of the recent master Urban Forestry study completed by ArborPro, including the findings and statistics. There was discussion on protecting and replacing the urban forest, and importance of having a master plan.

B. Civil Service Commission membership.

Staff reviewed the process used by the City to recruit for positions in fire and police under the Civil Service Commission and the role of Civil Service Commissioners in this process. There was discussion on this process, the testing of candidates, and need for experienced Civil Service Commissioners to ensure rules are adhered to and process followed.

**WORK SESSION MINUTES**

**JULY 26, 2021**

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**3. OTHER BUSINESS**

No other business was discussed.

**4. ADJOURNMENT**

There being no further business, the meeting adjourned at 5:52 p.m.

**WALLA WALLA CITY COUNCIL**  
**Regular Meeting Minutes**  
**July 28, 2021**

**1. CALL TO ORDER**

Mayor Scribner called the meeting to order at 6:30 p.m.

Present: Councilmembers Riley Clubb, Myron Huie, Ted Koehler, Steve Moss, Susan Nakonieczny, and Mayor Tom Scribner.

Absent: Councilmember Yazmin Bahena.

City staff in attendance: Deputy City Manager Elizabeth Chamberlain, City Attorney Tim Donaldson, Public Works Director Ki Bealey, Development Services Director Preston Frederickson, Finance Director Jean Teasdale, Communications Manager Brenden Koch, Utilities Engineer Frank Nicholson, and City Clerk Kammy Hill.

**2. PLEDGE OF ALLEGIANCE**

**3. PRESENTATIONS**

Mayor Scribner recognized Drake Scott, recipient of the Anderson-Perry & Associates/City of Walla Walla scholastic achievement scholarship.

**4. PUBLIC COMMENTS**

Sharon Schiller expressed concerns with the effect of the pandemic on the democratic processes.

**5. CONSENT AGENDA**

Staff introduced the Consent Agenda, Items A through J, as follows:

- A. Acceptance of resignation of Kent Huxel from the Planning Commission.
- B. Resolution No. 2021-103 awarding the bid for the Oak Street pedestrian improvement project to Nelson Construction in the amount of \$58,864.67.

## WALLA WALLA CITY COUNCIL MINUTES

JULY 28, 2021

PAGE 2

- C. Resolution No. 2021-104 sets a public hearing date of August 25, 2021, to consider the vacation of undeveloped alley right-of-way between North 9<sup>th</sup> Avenue and North 10<sup>th</sup> Avenue and lying north of West Moore Street and south of West Rees Avenue.
- D. Resolution No. 2021-105 awarding the bid for the 2021 Lowden and 12<sup>th</sup> Avenue paving project to ESF Solutions in the amount of \$87,698.
- E. Resolution No. 2021-106 awarding the bid for the Wilbur Bridge Scour Repair project to Harry Johnson Plumbing and Excavation, Inc. in the amount of \$267,790.75.
- F. Ordinance No. 2021-21 amending the 2021-2022 biennial budget to move the American Rescue Plan Act (ARPA) funds from the general fund to the construction fund for the capital improvement projects previously approved by Council; and  
  
Ordinance No. 2021-22 establishing new capital projects and amending the capital improvement project budget.
- G. Approval of minutes of the regular meeting held June 23, 2021.
- H. Approval of minutes of the special meeting held June 29, 2021.
- I. Approval of minutes of the Work Session held July 12, 2021.
- J. Approval of minutes of the regular meeting held July 14, 2021.

Mayor Scribner invited public input. No one in the audience chose to address the City Council on any of these items.

Staff provided reports on Items B, D, and E. There was discussion on the current bidding climate and bids exceeding the engineer's estimates.

**Councilmember Moss moved to adopt Consent Agenda Items A through J. Councilmember Clubb seconded the motion. The motion unanimously carried with 6 yes votes and 0 no votes.**

**WALLA WALLA CITY COUNCIL MINUTES**  
**JULY 28, 2021**  
**PAGE 3**

**6. ACTIVE AGENDA**

A. Resolution No. 2021-107 adopting a redesign of the City flag.

Staff described the public process used to curate a redesign of the City flag, the artists depictions of the designs, and the five basic principles of good flag design.

Mayor Scribner invited public input.

Douglas Carlsen, Arts Commission member, commented on the Commission's involvement in the design process and consideration of the uniqueness of the designs. The Arts Commission is recommending the "softer" image for the City's flag.

Sharon Schiller, Walla Walla, expressed her preference for the design receiving the highest number of public votes.

Councilmembers expressed their individual opinions on the designs versus keeping the original City flag.

**Councilmember Moss moved to adopt Resolution No. 2021-107 with the design recommended by the Arts Commission. Councilmember Koehler seconded the motion. The motion carried with 5 yes votes and 1 no vote by Councilmember Huie.**

**Councilmember Nakonieczny moved to preserve and display the first City flag. Councilmember Moss seconded the motion. The motion unanimously carried with 6 yes votes and 0 no votes.**

B. Resolution No. 2021-108 authorizing the adjustment of the boundary of the City of Walla Walla limits to include property at Nelson Irrigation as part of a proposed property boundary line adjustment.

Staff explained the process for a boundary line adjustment and the request by Nelson Irrigation to move a boundary line to construct a new warehouse. This request will also move the boundary line of the City limits.

Mayor Scribner invited public input. No one in the audience chose to address the City Council.



**WALLA WALLA CITY COUNCIL MINUTES**  
**JULY 28, 2021**  
**PAGE 4**

There was discussion on the process, why the adjustment is necessary, and reasons a portion of the Nelson Irrigation property has been excluded from the City limits. After the City approves this adjustment, the County must also agree.

**Councilmember Nakonieczny moved to adopt Resolution No. 2021-108. Councilmember Huie seconded the motion. The motion unanimously carried with 6 yes votes and 0 no votes.**

- C. Resolution No. 2021-109 authorizing the City Manager to award the bid for the Citywide Pedestrian Safety project if the amount does not exceed \$413,270.

Staff reported that bids for this project will be opened on July 29. This resolution will allow the City Manager to award the bid if the bids do not exceed \$413,270. If the bids exceed this amount, the project will be brought back to Council for either rejection or approval. The project is funded by a pedestrian safety grant and requires approval by the Washington State Department of Transportation. This action will speed up the project timeline by approximately three weeks.

Mayor Scribner invited public input. No one in the audience chose to address the City Council on this issue.

There was discussion on sequencing the pedestrian improvements on Poplar to coincide with the Poplar Street corridor project; project impact if the bids are over the authorized amount; and benefits of improved pedestrian safety.

**Councilmember Moss moved to adopt Resolution No. 2021-109. Councilmember Nakonieczny seconded the motion. The motion unanimously carried with 6 yes votes and 0 no votes.**

- D. Resolution No. 2021-110 authorizing a professional services contract with JUB Engineers for the 2022 Wastewater System Improvements in an amount not to exceed \$966,100.

Staff reported this first phase of the Wastewater Treatment Plant upgrades are fifteen different projects bundled into one design contract. These projects, along with an updated sewer plan, will come back to City Council for approval.

**WALLA WALLA CITY COUNCIL MINUTES**  
**JULY 28, 2021**  
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Mayor Scribner invited public input. No one chose to address the City Council on this issue.

There was discussion on the qualifications of JUB Engineers to perform this work; federal funding for these projects is unlikely but an application has been submitted for a public works trust fund loan; the duration of the projects; construction costs are estimated at almost \$6 million, with design and construction costs combined estimated at \$6.8 million. The design and construction management costs are within industry standards.

**Councilmember Moss moved to adopt Resolution No. 2021-110. Councilmember Huie seconded the motion. The motion unanimously carried with 6 yes votes and 0 no votes.**

- E. Resolution No. 2021-111 appointing members to the Transportation Benefit District local voter's pamphlet statement for and against committees.

Staff reported that the City Council had removed the provisions for appointing members to committees to write "for" and "against" statements from Resolution 2021-102 adopted July 14 to allow staff time to seek volunteers. Eight residents indicated their willingness to help write a statement in support, but no volunteers came forward to write a statement in opposition. Resolution No. 2021-111 appoints John Gahbauer, Joe Fondahn, and Joy Bader to the "for" committee and asks the County Auditor's office to make appointments to the "against" committee since the City could not locate a volunteer.

Mayor Scribner invited public input. No one chose to address the City Council on this issue.

Council expressed their appreciation for residents willing to step forward and help.

**Councilmember Clubb moved to adopt Resolution No. 2021-111. Councilmember Koehler seconded the motion. The motion unanimously carried with 6 yes votes and 0 no votes.**

**WALLA WALLA CITY COUNCIL MINUTES**  
**JULY 28, 2021**  
**PAGE 6**

- F. Approval of the June 2021 accounts payable register containing check numbers 14427 through 14627, 14629 through 14672, 14674 through 14820, and 204 through 224 totaling \$4,318,563.39.

Mayor Scribner invited public input. No one chose to address the City Council on this issue.

**Councilmember Moss moved to approve the June 2021 accounts payable register containing check numbers 14427 through 14627, 14629 through 14672, 14674 through 14820, and 204 through 224 totaling \$4,318,563.39 except for the checks to the Blue Mountain Action Council. Councilmember Koehler seconded the motion. The motion unanimously carried with 6 yes votes and 0 no votes.**

**Councilmember Moss moved to approve payment of the checks to the Blue Mountain Action Council. Councilmember Clubb seconded the motion. The motion unanimously carried with 5 yes votes, 0 no votes, and 1 abstention by Councilmember Koehler.**

**7. COUNCIL MEMBER MEETING REPORTS**

Councilmember Moss reported attendance at the Valley Transit Board meeting; a meeting with a community group regarding homelessness issues; a meeting with City staff regarding COVID-19 vaccines; the agenda setting meeting; a meeting with the community paramedic; the Work Session; the Port of Walla Walla Economic Development Advisory Committee meeting; and the Chief's Advisory Committee meeting.

Councilmember Huie reported attendance at a lunch with City Manager Shawa; an interview on KUJ radio; the neighborhood block party at Chase and 5<sup>th</sup> Street; the Work Session; and a Committee on Committees meeting.

Councilmember Nakonieczny reported attendance at the Valley Transit Board meeting; the Downtown Walla Walla Foundation Board meeting; the Work Session; the Port of Walla Walla Economic Development Advisory Committee meeting; and the Committee on Committees meeting.

Councilmember Clubb reported attendance at the Blue Mountain Action Council executive officer search committee meeting; the Fire Pension Board meeting; the Visit Walla Walla Board meeting; the entrance

**WALLA WALLA CITY COUNCIL MINUTES**  
**JULY 28, 2021**  
**PAGE 7**

conference with representatives of the State Auditor's office; a meeting with a local technology company; the Work Session; and the Blue Mountain Action Council executive officer interview panel.

Councilmember Koehler reported attendance at the Valley Transit Board meeting; the Emergency Management Board meeting; the Water & Wastewater Advisory Committee meeting; the Work Session; a Community Council meeting on supportive housing; and the City's COVID-19 update video.

Mayor Scribner reported attendance at the Pioneer Park wedding fountain re-dedication; the Fire Pension Board meeting; threw an onion as the first pitch at the Walla Walla Sweets game; a meeting with labor counsel regarding the COVID-19 vaccine; the agenda setting meeting; a meeting with Scott Daggett of W3 Entertainment; the Work Session; and a telephone conference with the City Attorney.

**8. UNFINISHED AND NEW BUSINESS**

Council thanked all the citizen volunteers serving on boards, commissions, and committees.

**Councilmember Nakonieczny moved to make the following appointments:**

- **Frank Alvarez to the Housing Authority Board for a term expiring June 30, 2026; and**
- **William Plucker to the Historic Preservation Commission for a term expiring June 30, 2024.**

**Councilmember Clubb seconded the motion. The motion unanimously carried with 6 yes votes and 0 no votes.**

Mayor Scribner reported that citizens currently serving on a City board, commission, or committee are considered an official of the City so may not also serve on the Salary Commission. With the approval of Council, the following will be appointed to the Salary Commission:

- Sherrie Kamara
- Lynn Knapp
- Beth Kreger
- Dick Swenson
- Rogers Miles

**WALLA WALLA CITY COUNCIL MINUTES  
JULY 28, 2021  
PAGE 8**

A Work Session will be scheduled with the Salary Commission and the Clerk will be advised of the staggered terms of each member.

**Councilmember Moss moved to appoint the members of the Salary Commission as outlined. Councilmember Koehler seconded the motion. The motion unanimously carried with 6 yes votes and 0 no votes.**

There was discussion on the increasing COVID-19 cases, measures that might be taken to combat this rise in cases, importance of protecting our neighbors, resuming production of the City's video series, and brainstorming ways to incentivize residents to get vaccinated.

**9. ADJOURNMENT**

**There being no further business, the meeting adjourned at 8:34 p.m.**